



South Coast
Air Quality Management District
21865 Copley Drive, Diamond Bar, CA 91765
(909) 396-2000, www.aqmd.gov

MARINE PORT COMMITTEE MEETING

Committee Members

Council Member Joe Buscaino, Co-Chair
Vice Mayor Rex Richardson, Co-Chair
Supervisor Lisa Bartlett
Senator Vanessa Delgado (Ret.)
Board Member Veronica Padilla-Campos
Mayor Pro Tem Larry McCallon

September 28, 2021 ♦ 2:00 p.m.

Pursuant to Governor Newsom's Executive Order N-25-20 (March 12, 2020) and N-29-20 (March 17, 2020), the South Coast AQMD Marine Port Committee meeting will only be conducted via video conferencing and by telephone. Please follow the instructions below to join the meeting remotely.

INSTRUCTIONS FOR ELECTRONIC PARTICIPATION AT THE BOTTOM OF AGENDA

Join Zoom Webinar Meeting - from PC or Laptop

<https://scaqmd.zoom.us/j/97004068140>

Zoom Webinar ID:

970 0406 8140

Teleconference Dial In

(669) 900-6833

One tap mobile

+16699006833,,97004068140#

Audience will be allowed to provide public comment through telephone or Zoom connection during public comment periods.

PUBLIC COMMENT WILL STILL BE TAKEN

AGENDA

Members of the public may address this body concerning any agenda item before or during consideration of that item (Gov't. Code Section 54954.3(a)). If you wish to speak, raise your hand on Zoom or press Star 9 if participating by telephone. All agendas for regular meetings are posted at South Coast AQMD Headquarters, 21865 Copley Drive, Diamond Bar, California, at least 72 hours in advance of the regular meeting. Speakers may be limited to three (3) minutes each.

CALL TO ORDER

ROLL CALL

INFORMATIONAL ITEMS (Item 1)

- | | |
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| <p>1a. Background on South Coast AQMD Actions to Reduce Emissions Associated with Port Operations (5 mins)
<i>(No Motion Required)</i>
Staff will provide background on previous efforts to develop a Memorandum of Understanding (MOU) with the Ports of Los Angeles and Long Beach.</p> <p>1b. Port Perspective on the Ports MOU Discussion (10 mins)
<i>(No Motion Required)</i>
Representatives from the Ports of Long Beach and Los Angeles, will discuss the San Pedro Bay Ports' perspective on the MOU discussion and process since the August 2021 Board meeting.</p> <p>1c. Ports MOU Status Update (15 mins)
<i>(No Motion Required)</i>
Staff will provide a status update on the Ports MOU progress since the August 2021 Board meeting, in context of emission reduction needs from port sources for regional attainment of the National Ambient Air Quality Standards.</p> | <p>Dr. Sarah Rees
<i>Deputy Executive Officer</i></p> <p>Gene Seroka
<i>Executive Director</i>
Port of
Los Angeles</p> <p>Mario Cordero
<i>Executive Director</i>
Port of Long Beach</p> <p>Ian MacMillan
<i>Assistant Deputy Executive Officer</i></p> |
|--|---|

OTHER MATTERS

- 2. Other Business**
Any member of the Committee, or its staff, on his or her own initiative or in response to questions posed by the public, may ask a question for clarification, may make a brief announcement or report on his or her own activities, provide a reference to staff regarding factual information, request staff to report back at a subsequent meeting concerning any matter, or may take action to direct staff to place a matter of business on a future agenda. (Gov't. Code Section 54954.2)
- 3. Public Comment Period**
At the end of the regular meeting agenda, an opportunity is provided for the public to speak on any subject within the Committee's authority that is not on the agenda. Speakers may be limited to three (3) minutes each.
- 4. Next Meeting Date: TBD**

ADJOURNMENT

Americans with Disabilities Act and Language Accessibility

Disability and language-related accommodations can be requested to allow participation in the Marine Port Committee meeting. The agenda will be made available, upon request, in appropriate alternative formats to assist persons with a disability (Gov't Code Section 54954.2(a)). In addition, other documents may be requested in alternative formats and languages. Any disability or language-related accommodation must be requested as soon as practicable. Requests will be accommodated unless providing the accommodation would result in a fundamental alteration or undue burden to the South Coast AQMD. Please contact Danielle Escontrias at (909) 396-2422 from 7:00 a.m. to 5:30 p.m., Tuesday through Friday, or send the request to descontrias@aqmd.gov.

Document Availability

All documents (i) constituting non-exempt public records, (ii) relating to an item on an agenda for a regular meeting, and (iii) having been distributed to at least a majority of the Committee after the agenda is posted, are available by contacting Danielle Escontrias at (909) 396-2422 or send the request to descontrias@aqmd.gov.

INSTRUCTIONS FOR ELECTRONIC PARTICIPATION

Instructions for Participating in a Virtual Meeting as an Attendee

As an attendee, you will have the opportunity to virtually raise your hand and provide public comment.

Before joining the call, please silence your other communication devices such as your cell or desk phone. This will prevent any feedback or interruptions during the meeting.

Please note: During the meeting, all participants will be placed on Mute by the host. You will not be able to mute or unmute your lines manually.

After each agenda item, the Chairman will announce public comment.

A countdown timer will be displayed on the screen for each public comment.

If interpretation is needed, more time will be allotted.

Once you raise your hand to provide public comment, your name will be added to the speaker list. Your name will be called when it is your turn to comment. The host will then unmute your line.

Directions for Video ZOOM on a DESKTOP/LAPTOP:

- If you would like to make a public comment, please click on the “Raise Hand” button on the bottom of the screen.
- This will signal to the host that you would like to provide a public comment and you will be added to the list.

Directions for Video Zoom on a SMARTPHONE:

- If you would like to make a public comment, please click on the “Raise Hand” button on the bottom of your screen.

- This will signal to the host that you would like to provide a public comment and you will be added to the list.

Directions for TELEPHONE line only:

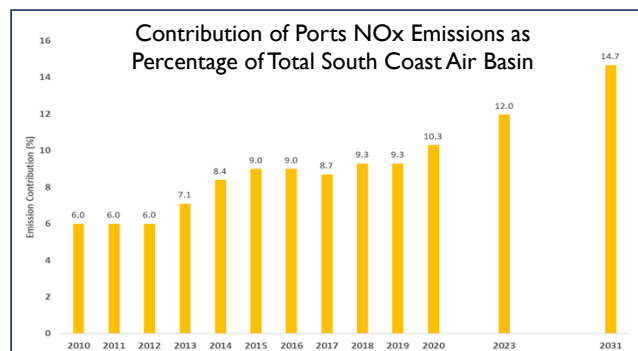
- If you would like to make public comment, please dial *9 on your keypad to signal that you would like to comment.

UPDATE ON MEMORANDUM OF UNDERSTANDING DISCUSSION WITH PORTS OF LONG BEACH AND LOS ANGELES

MARINE PORT COMMITTEE
SEPTEMBER 28, 2021

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NO_x EMISSIONS FROM PORT OPERATIONS



Note: The preliminarily projected baseline emissions for the San Pedro Bay Ports and the South Coast Air Basin both account for estimated emission reductions due to CARB's At-Berth Amendments and the ACT and Heavy-Duty Omnibus regulations.

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EMISSION REDUCTION NEED

Preliminary Draft Estimates

2023

Category	2016 AQMP Total Air Basin Mobile Sources NOx Baseline Emissions (tpd)	2016 AQMP Reductions*	% Reductions	Ports 2023 Projected Baseline	Proportional Reductions (tpd)	Reductions Anticipated from Regs & Programs Adopted Since 2016 AQMP	Reductions Expected from Upcoming CARB Regs & Programs**	Remaining Port Sources NOx Emission Reduction Needed
Ocean-Going Vessels	37.1	30.3	82%	20.4	16.6	1.1	0.0	15.5
Harbor Craft	10.3	3.7	35%	3.6	1.3	0.0	0.9	0.4
Cargo Handling Equipment (Diesel)	1.1	0.4	35%	1.8	0.6	0.0	0.1	0.5
Locomotives	10.8	7.0	65%	4.3	2.8	0.0	0.0	2.8
Drayage Trucks	7.8	4.4	57%	3.3	2.5	1.1	0.0	1.4
All categories	67.1	45.8	68%	33.5	23.2	2.2	1.0	20.6

2031

Category	2016 AQMP Total Air Basin Mobile Sources NOx Baseline Emissions (tpd)	2016 AQMP Reductions*	% Reductions	Ports 2031 Projected Baseline	Proportional Reductions (tpd)	Reductions Anticipated from Regs & Programs Adopted Since 2016 AQMP	Reductions Expected from Upcoming CARB Regs & Programs**	Remaining Port Sources NOx Emission Reduction Needed
Ocean-Going Vessels	43.4	39.0	90%	24.8	22.3	3.6	0.0	18.7
Harbor Craft	9.4	4.2	44%	4.0	1.8	0.0	2.9	(1.1)
Cargo Handling Equipment (Diesel)	0.8	0.4	44%	2.0	0.9	0.0	0.9	(0.0)
Locomotives	5.7	5.0	88%	4.8	4.2	0.0	1.9	2.3
Drayage Trucks	11.3	4.2	37%	3.5	1.3	0.7	0.6	(0.0)
All categories	70.5	52.8	75%	38.9	30.4	4.4	6.3	19.8

* Based on 2016 AQMP control strategy, including 'black box'

** Based on CARB Draft Mobile Source Strategy

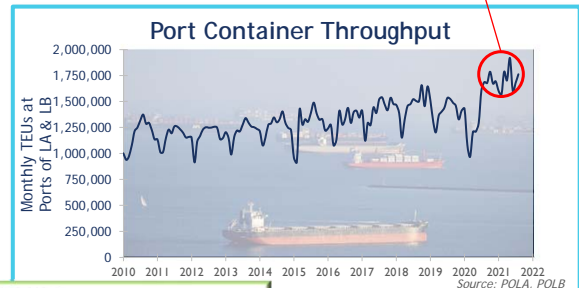
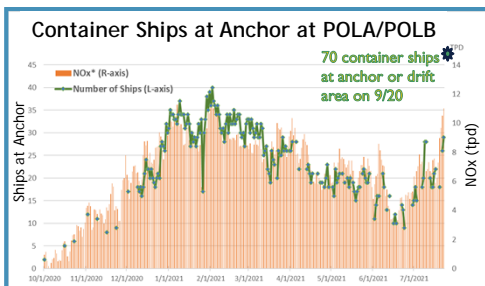
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PORT EMISSIONS POISED TO INCREASE BEYOND BASELINE PROJECTIONS

Ports continuously setting monthly records

- Goods movement continues to increase
- Significant and persistent congestion
 - Increasing emissions from ships at anchorage and in drift areas, mostly from container ships
 - Increasing drayage truck traffic & CHE use with the Ports working towards a 24/7 supply chain



NEWS RELEASE

Port of LONG BEACH THE PORT OF CHOICE

THE PORT OF LOS ANGELES

San Pedro Bay Ports Announce New Measures to Speed Cargo Throughput

Expanded night and weekend hours planned at ports of Long Beach, Los Angeles

Sept. 17, 2021

Maximizing night and weekend operations & calling on terminal operators to incentivize the use of all available gate hours

Source: South Coast AQMD staff draft analysis of data from IHS SeaWeb and Marine Exchange of Southern CA

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EMISSIONS IMPACT OF RECENT PORT CONGESTION

Excess NO_x and PM Emissions by Source Category in the South Coast Air Basin (March 2021)*

Emissions Source Category	Estimated Increase in NO _x Emissions (tpd)	Estimated Increase in PM Emissions (tpd)
Trucks	4.8	0.03
Rail (On-Port)	0.2	0.007
Regional Rail (Off-Port)	2	0.03
Container Vessels at Anchor	7.5	0.2
Total	14.5	0.27

~41% Above 2019
Average Daily
Port Emissions**

*CARB Estimates

https://ww2.arb.ca.gov/sites/default/files/2021-09/port_congestion_anchorage_locomotives_truck_emissions_final_%28002%29.pdf

**Port Emission Inventories show average daily ~35 tpd in 2019, <https://cleanairactionplan.org/results/emission-reductions/>

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KEY DIFFERENCES BETWEEN TODAY AND WHEN MOU FIRST PROPOSED REQUIRE UPDATED APPROACH FOR MOU TO BE SUCCESSFUL

Early 2018

- A. Clean Trucks Program projected to produce **70%-91%** NZE/ZE drayage fleet by 2024
- B. No proposed regulation from CARB on drayage trucks
- C. Many potential new funding streams being pursued to assist in attaining ozone standard in 2023
- D. Significant concerns raised about port market share and additional costs potentially restricting growth, with 16.9 million TEU in 2017

Current Conditions

- A. Clean Trucks Program projected to produce **2%-5%** NZE/ZE drayage fleet by 2024
- B. CARB now proposing Advanced Clean Fleet rule
 - Surplus emission reductions from Clean Truck Program now unclear
- C. Funding streams have increased substantially, but are far short of what is needed to attain in 2023
- D. Port capacity effectively reached, with ~70 ships currently waiting offshore, and 19.6 million TEU in past 12 months
 - In past year, average spot rates have increased >\$20,000 per 40' container from China to West Coast

Past approach on MOU will not provide additional emission reductions

* www.cleanairactionplan.org, www.polb.com, www.portoflosangeles.com, www.fbx.freightos.com

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CURRENT STATUS OF MOU DISCUSSIONS

- South Coast AQMD/ports staff discussions on the draft MOU restarted in summer 2021
 - South Coast AQMD staff does not believe that the early 2020 version of the MOU will ensure that any additional or early emission reductions will be achieved
- In July, South Coast AQMD staff provided a one-page proposed framework for a MOU
 - At request of ports, staff prepared a redline markup of 2020 version of draft MOU
 - Port staff subsequently provided a potential draft of the MOU that is similar to the early 2020 version

Memorandum of Understanding Documents

The following document is the latest redline draft MOU language prepared by South Coast AQMD staff, largely based on proposed measures in the 2017 CAAP. Staff from both Ports have indicated that some actions proposed in this version of the draft MOU may not be possible for them to implement due to legal and/or other limitations.

- 07/27/2021 Draft Marine Ports MOU - South Coast AQMD Staff (PDF, 440 KB) **NEW**

Port staff proposed the following draft MOU language, which contained minor updates to an early 2020 version of the draft MOU.

- 08/11/2021 Draft Marine Ports MOU - POLA & POLB Staff (PDF, 365 KB) **NEW**

<http://www.aqmd.gov/home/air-quality/clean-air-plans/air-quality-mgt-plan/facility-based-mobile-source-measures/comm-ports-wkng-grp>

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KEY SOUTH COAST AQMD STAFF PROPOSED MEASURES IN JULY 2021

- Proposed measures build from programs and commitments in CAAP
 - Specific programs provided as suggestions, and are similar to comments provided during the Ports' development of the CAAP and the Clean Truck Rate
- Port staff has expressed interest in discussing proposed measures, but do not feel authorized to commit to any new program that hasn't previously been authorized by their Boards
 - Also expressed concern that there isn't enough time to put any new commitments into the MOU
- Port staff provided potential priority list of programs to discuss using 'stoplight' approach



Long-term due to legal and/or other challenges

Not in MOU, but potential opportunity

Worth additional discussion for MOU

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KEY CHALLENGES THAT STILL REQUIRE DISCUSSION FOR MOU DEVELOPMENT

- South Coast staff:
 - MOU must contain additional and/or early emission reductions
 - Must include contingency measures in case actions are not successfully completed
- Ports staff:
 - Constrained to commit to actions already approved by Harbor Commissions
 - To date, no additional specific actions

The goal for the MOU is emissions reductions, not an additional process for dialogue. How to achieve this? Expertise, inventories, and opportunities

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NEXT STEPS

- Continue weekly staff to staff meetings
- Broader outreach to additional stakeholders
- Report back to Marine Port Committee

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