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SENT VIA E-MAIL & USPS:

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<u>Draft Environmental Impact Statement/Environmental Impact Report (Draft EIS/EIR) for</u> <u>the Proposed Berths 226-236 [Everport] Container Terminal Improvements Project</u> <u>("Proposed Project") (SCH No.: 2014101050)</u>

The South Coast Air Quality Management District (SCAQMD) staff appreciates the opportunity to comment on the above-mentioned document. The following comments are meant as guidance for the Lead Agency and should be incorporated into the Final EIS/EIR.

SCAQMD staff understands that the fundamental purpose of the proposed project is to increase the container-handling efficiency and capacity of the existing Everport Container Terminal ("Terminal") at the Port of Los Angeles ("Port") in order to accommodate larger container vessels of up to 16,000 twenty-foot equivalent units [TEUs] that are anticipated to call at the Terminal through year 2038. This proposed project supports the long-term development and growth of the Port.

On March 3, 2017, the SCAQMD's Governing Board adopted the 2016 Air Quality Management Plan (2016 AQMP), which was later approved by the California Air Resources Board of Directors on March 23rd. The 2016 AQMP¹ is a regional blueprint for achieving air quality standards and healthful air in the South Coast Air Basin. Built upon the progress in implementing the 2007 and 2012 AQMPs, the 2016 AQMP provides a regional perspective on air quality and lays out the challenges facing the South Coast Air Basin. The most significant air quality challenge in the Basin is to achieve an additional 45 percent reduction in nitrogen oxide (NOx) emissions in 2023 and an additional 55 percent NOx reduction beyond 2031 levels for ozone attainment.

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¹ South Coast Air Quality Management District. March 3, 2017. 2016 Air Quality Management Plan. Available at: http://www.aqmd.gov/home/library/clean-air-plans/air-quality-mgt-plan.

SCAOMD staff supports the Port's commitment to improve air quality while the Port continues to be economically competitive, efficient, and environmentally sustainable. This commitment was recently reaffirmed in the San Pedro Bay Ports Clean Air Action Plan 2017 Discussion Draft². As described above, achieving NOx emission reductions in a timely manner is critical to attaining the National Ambient Air Quality Standard (NAAQS) for ozone before the 2023 and 2031 deadlines. SCAQMD is committed to attaining the ozone NAAQS as expeditiously as practicable, and we believe that the Port plays an important role in supporting SCAQMD's commitment.

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Project Description

The Lead Agency proposes to dredge and dispose of approximately 38,000 cubic yards of sediment, provide structural improvements to stabilize the wharf, raise the existing eight cranes, install five new cranes, build vessel servicing infrastructure with five maritime power vaults, and develop 23.5 acres as new terminal backlands on 229 acres. The Lead Agency also proposes to extend the Terminal lease by 10 years from 2028 through 2038.

Construction is expected to take approximately 24 months and would begin in late 2017³. The Terminal would continue to operate during construction with vessels using Berths 226-229 while Berths 230-232 are under construction, and vice versa⁴. By year 2038, approximately 2.38 million TEUs (an increase of 1.14 million TEUs from 1.24 million TEUs in year 2013) and 208 annual vessel calls (an increase of 42 from the 166 vessel calls in 2013)⁵ are expected at the Terminal. The number of trains would increase to approximately six trains per day from the two in year 2013. Daily truck trips would also increase by 2,523 to 7,028 daily truck trips in the peak month⁶. The net increase in employment attributable to the proposed project (direct) would be 4,230 jobs in year 2038⁷.

Air Quality and Health Risk Assessment (HRA) Analyses

The Lead Agency found that the proposed project's regional air quality impacts from construction for NOx in 2018 and 20198 and for VOC in 2019 will be significant and unavoidable after mitigation⁹. Overlapping construction and operational emissions will remain significant after mitigation for NOx in 2019. The Lead Agency also found that maximum off-site ambient air pollutant concentrations during construction would be significant and unavoidable for NO2 (federal 1-hour average), and overlapping construction and operations would be significant and

² San Pedro Bay Ports. November 2016. Clean Air Action Plan 2017: Draft Discussion Document. Available at: http://www.cleanairactionplan.org/wp-content/uploads/2016/11/CAAP-2017-Draft-Discussion-Document-FINAL.pdf.

³ Draft EIS/EIR. Executive Summary. Page ES-11.

⁴ Draft EIS/EIR. Project Description. Page 2-36. Table 2-3: Construction Schedule, Page 2-37.

⁵ Draft EIS/EIR. Project Description. Table 2-1: Existing and Projected Berths 226-236 [Everport] Container Terminal Throughput. Page 2-4.

⁶ Draft EIS/EIR. Project Description. Page 2-39.

⁷ Draft EIS/EIR. Executive Summary. Page ES-68.

⁸ Draft EIS/EIR. Executive Summary. Table ES-3: Summary of Potential Significant Impacts and Mitigation for the Proposed Project and Alternatives. Page ES-27.

⁹ *Ibid*.

 $^{^{10}}$ Ibid.

unavoidable for NO₂ (federal 1-hour average) and PM₁₀ (24-hour and annual average)¹¹. The proposed project's regional operational impacts after incorporating mitigation measures will remain significant and unavoidable for CO and VOC in year 2033 and year 2038.¹² The proposed project's mitigated maximum cancer risk (MICR) for residential, occupational, and sensitive receptors was found to be 1.3 in a million, 5.8 in a million, and 0.8 in a million, respectively¹³.

After a review of the air quality and health risk analyses and supporting technical documents, SCAQMD staff has concerns about the analyses in the Draft EIS/EIR, which have likely led to an under-estimation of the project's impacts. First, the analyses improperly credit the proposed project with emission reductions that will occur independent of the proposed project due to adopted state and federal rules and regulations. Second, the modeling performed for the proposed project used improper parameters and outdated meteorological data. Additional details are included in the attachment. The attachment also includes a discussion of recommended changes to the existing mitigation measures for air quality which the Lead Agency should implement.

Pursuant to Public Resources Code Section 21092.5, SCAQMD staff requests that the Lead Agency provide SCAQMD with written responses to all comments contained herein prior to the certification of the Final EIS/EIR. Further, SCAQMD staff is available to work with the Lead Agency to address the comments raised herein and any other questions that may arise. If you have any questions regarding this letter, please contact me at jwong1@aqmd.gov or Lijin Sun, Program Supervisor, CEQA IGR, at lsun@aqmd.gov.

Sincerely,

Jillian Wong, Ph.D.

Jillian Wong

Planning and Rules Manager Planning, Rule Development & Area Sources

Attachment JW:LS/JC/MS/GM LAC170421-03 Control Number

¹¹ *Ibid*.

¹² *Ibid.* Page ES-28.

¹³ Draft EIS/EIR. Section 3.2, Air Quality and Meteorology. Table 3.2-26: *Maximum CEQA Health Impacts Estimated for Construction and Operation of Proposed Project*. Page 3.2-68.

ATTACHMENT

CEQA Baseline

1. The Draft EIS/EIR should include a realistic baseline which accurately reflects the improvements in air quality that will occur, independent of the proposed project. The CEQA baseline year for determining the air quality impacts from criteria pollutants was 2013¹⁴. This baseline is held constant (i.e. using emission rates from 2013) and compared to future interim years under the proposed project (i.e. using emission rates from future years). This approach using a comparison between the proposed project's impacts in future years (using emission rates from those years) and a 2013 baseline (using emission rates from 2013) improperly credits the proposed project with emission reductions that will occur independent of the proposed project due to adopted state and federal rules and regulations, since these rules and regulations are expected to improve air quality, even in the absence of the proposed project. Therefore, SCAQMD staff believes that the proposed project may have underestimated the true impacts attributable to the proposed project's activities. In Neighbors for Smart Rail v. Exposition Metro Line Construction (2013) 57 Cal.4th 439, the California Supreme Court held that using a future baseline is proper in some cases. The purpose of CEQA is to disclose environmental impacts from the proposed project to the public and decision makers in order to provide the public and decision makers with the actual changes to the environment from the activities involved in the proposed project. By taking credit for future emission reductions from existing air quality rules and regulations, the proposed project's air quality impacts are underestimated. Therefore, SCAQMD staff recommends that the Lead Agency revise the air quality analysis to include a comparison between the emissions in year 2019, year 2026, year 2033, and year 2038 with the proposed project and the emissions in the same respective years without the proposed project, and use this analysis to determine the level of significance. By using a consistent emission rate for the analysis, the air quality and health risk impacts of the project will be accurately disclosed (i.e. impacts based on the change in activity due to the proposed project).

SCAQMD's Air Quality CEQA Thresholds of Significance

2. Based on the proposed project's construction schedule¹⁵, construction and operation activities are expected to overlap in 2018 and 2019. In the case of overlapping construction and operation activities, SCAQMD staff recommends adding the construction and operational emissions and comparing those emissions to the SCAQMD's air quality CEQA significance thresholds for operation¹⁶.

Methodology for Determining the Significance of Air Quality Impacts

3. As described in Comment No. 1, SCAQMD staff found that the proposed project's operational air quality emissions from criteria pollutants, with and without mitigation, were first subtracted

¹⁴ Draft EIS/EIR. Executive Summary. Page ES-5.

¹⁵ Draft EIS/EIR. Project Description. Table 2-2: *Construction Schedule*. Page 2-37.

¹⁶ South Coast Air Quality Management District. *SCAQMD Air Quality Significance Thresholds*. Available at: http://www.aqmd.gov/docs/default-source/ceqa/handbook/scaqmd-air-quality-significance-thresholds.pdf?sfvrsn=2.

from the 2013 CEQA baseline air emissions, and the resulting differences were compared to the SCAQMD's regional air quality CEQA significance thresholds to determine the level of significance in year 2019, year 2026, year 2033 and year 2038. However, based on a review Appendix B3, *Health Risk Assessment*¹⁷, SCAQMD staff found that the methodology for the HRA analysis included a comparison between potential health risks in year 2038 with and without the proposed project to determine the level of significance without subtracting the 2013 CEQA baseline. As such, SCAQMD staff found that the methodology for determining the significance of air quality impacts is not consistent with the methodology for determining the significance of health risks. It is recommended that the Lead Agency use consistent methodologies when determining both air quality and health risk impacts in the Final EIS/EIR.

Air Dispersion Modeling Parameters

- 4. Some of the receptors were placed within the volume source exclusion zone, and the results at these locations might not be accurate. Therefore, SCAQMD staff recommends that the Lead Agency revise the HRA by using a greater number of smaller volume sources to avoid placing receptors within the volume source exclusion zone.
- 5. The Lead Agency used differing Locomotives transit Day and Night release heights in their source parameters (Day 5.6 meters and Night 14.6 meters). Appendix B2, Section 3.1.2 Operational Emission Sources, stated that the "locomotives in transit were set to different heights for daytime conditions compared to nighttime conditions." Changes in atmospheric conditions are already accounted for within AERMOD. By using higher nighttime release heights, the Lead Agency has likely underestimated health risks. The Lead Agency should revise the HRA to use the same release heights for daytime and nighttime locomotive emissions and re-evaluate the health risks.
- 6. Page B2-8 of Appendix B2 of the Draft EIS/EIR indicated that 2006-2007 meteorological data from the Terminal Island Water Reclamation Plant (TITP) was used for dispersion modeling for both criteria pollutants and toxic air contaminants (TACs). The meteorological data is outdated, and the Lead Agency used an outdated version of AERMOD to process the meteorological data. SCAQMD staff has prepared AERMOD-ready meteorological data which could be used by the Lead Agency in the air quality analysis ¹⁸. The Lead Agency could use the SCAQMD meteorological data collected at the Long Beach station ¹⁹. Additionally, the U.S. EPA recommends that for on-site meteorological data, the most recent five-year data be used for the purposes of air dispersion modeling ²⁰. Therefore, SCAQMD staff recommends that the Lead Agency update HRA using the latest five years of available meteorological data

¹⁷ Draft EIS/EIR. Appendix B3-Health Risk Assessment. Table B3-5: *Maximum CEQA Health Impacts Estimated* for Construction and Operation of the Proposed Project Without Mitigation. Page B3-17.

¹⁸ South Coast Air Quality Management District. Meteorological Data for AERMOD. Available at: http://www.aqmd.gov/home/library/air-quality-data-studies/meteorological-data/data-for-aermod.
¹⁹ *Ibid*.

²⁰ United States Environmental Protection Agency. February 2000. *Meteorological Monitoring Guidance for Regulatory Modeling Applications*. Page 6-30. Available at: https://www3.epa.gov/scram001/guidance/met/mmgrma.pdf. See also 40 CFR Ch. I (7-1-11 Edition). *Appendix W to Part 51 – Guideline on Air Quality Models*. Available at: https://www.gpo.gov/fdsys/pkg/CFR-2011-title40-vol2-part51-appW.pdf.

and use AERMET version 16216 (or the most recent version available at the time of analysis) to process the data. Updates and improvements to AERMET may also affect the air dispersion modeling results.

Methodology for Determining Morbidity and Mortality Impacts

7. Mortality is a measure of the number of deaths in a population, scaled to the size of that population, per unit time. Morbidity refers to the number of individuals who have contracted a disease during a given time period (the incidence rate) or the number who currently have that disease (the prevalence rate), scaled to the size of the population. On Page 3.2-76 of the Draft EIS/EIR, the Lead Agency found that the proposed project would not exceed the Los Angeles Harbor Department's (LAHD) criterion for calculating morbidity and mortality impacts attributable to PM, and that mortality and morbidity significance would be identified by exceedance of SCAQMD's PM2.5 localized significance criterion of 2.5 μg/m³.

First, SCAQMD staff does not agree with using SCAQMD's localized PM2.5 threshold as a screening threshold for determining the significance of morbidity and mortality impacts. The SCAQMD's PM2.5 significance threshold of 2.5 μ g/m³ is designed to determine the significance of localized impacts on nearby receptors, and it was made to be consistent with existing permitting requirements under SCAQMD Rule 1303. The PM2.5 significance threshold of 2.5 μ g/m³ was not intended to be used as a screening tool to determine if mortality and morbidity impacts analysis would be warranted. As such, SCAQMD staff recommends that the Lead Agency revise the PM mortality analysis and use the methods described in California Air Resources Board's 2010 guidance document²¹. Second, the analysis did not include a reference to the LAHD's criterion that was used for determining if calculating morbidity and mortality impacts attributable to PM would be warranted. As such, SCAQMD staff recommends providing a reference to the LAHD's criterion in the Final EIS/EIR.

Recommended Changes to Existing Mitigation Measures

Technology Review

8. The Draft EIS/EIR includes a mitigation measure under lease management (LM) AQ-1, which requires a review of new emissions reduction technologies for feasibility every five years beginning five years after the lease agreement. SCAQMD staff believes that the Lead Agency should take this opportunity to deploy the lowest emission technologies possible. This is consistent with Port's air quality commitment, as well as in support of SCAQMD's commitment to achieve NOx emission reductions. The deployment should include those technologies that are "capable of being accomplished in a successful manner within a reasonable period of time" (Public Resources Code Section 21061.1), such as zero and near-zero emission technologies that are expected to be available in the life of the proposed project. As such, SCAQMD staff recommends that the Lead Agency assess equipment availability,

²¹ California Air Resources Board. August 31, 2010. Estimate Premature Deaths Associated with Long-term Exposure to Fine Particle Pollution (PM2.5) in California Using a U.S. Environmental Protection Agency Methodology.

Available at: https://www.arb.ca.gov/research/health/pm-mort/pm-report 2010.pdf.

equipment fleet mixtures, and best available emissions control devices every two years beginning two years after lease agreement is entered. When a new emission control technology is found feasible and would substantially reduce air emissions, but the Lead Agency declines to implement such technology, a subsequent EIR shall be prepared (CEQA Guidelines Section 15162(a)(3)(C)). SCAQMD staff's recommended revisions to LM AQ-1 are below:

LM AQ-1: Replacement of Equipment and Review of New Technology

"[...] LAHD shall require the tenant to review any new emissions-reduction technology for feasibility and report back to LAHD every five two years beginning five two years after lease agreement if no new purchase or equipment turnover occurs sooner as noted in the aforementioned paragraph. If LAHD and tenant determine the technology is feasible in terms of cost and operations, subject to the requirements as set forth in the CEQA Guidelines Section 15162(a)(3)(C), the tenant shall work with LAHD to implement such technology."

Enforceability

- 9. Mitigation Measure (MM) AQ-2 and MM AQ-3 provide circumstances under which the EPA 2010 on-road haul truck and Tier 4 off-road construction equipment requirements would not apply. CEQA requires that mitigation measures must be fully enforceable through permit conditions, agreements, or other legally binding instruments (Public Resources Code Section 21081.6 (b) and CEQA Guidelines Section 15126.4 (a)(2)). To ensure that the requirements set forth in MM AQ-2 and MM AQ-3 are enforceable, and to further reduce emissions during construction and operation, SCAQMD staff recommends the following revisions:
 - MM AQ-2: On-Road Trucks Used During Construction. On-road trucks shall comply with EPA 2010 on-road emission standards or better, unless the contractor can reasonably demonstrate provides a written finding consistent with project contract or lease management requirements and obtains written approval from the Lead Agency that such equipment is unavailable to the satisfaction of LAHD.
 - MM AQ-3: Non-road Construction Equipment (except vessels, harbor craft, on-road trucks, and dredging equipment). All non-road construction equipment greater than 50 hp must meet EPA Tier 4 emission standards, unless the contractor can reasonably demonstrate provides a written finding consistent with project contract or lease management requirements and obtains written approval from the Lead Agency that such equipment is unavailable to the satisfaction of LAHD.

General Conformity Determination

10. On May 17, 2017, SCAQMD staff received a letter from the Port requesting confirmation that the previously allocated emissions for construction in 2018 were still valid.²² Based on a review of Appendix B4, *Draft General Conformity Determination*, SCAQMD staff found that

²² E-mail correspondence and attachment on May 17, 2017 from the Port of Los Angeles Harbor Department (Ms. Yolanda Mativa) to SCAQMD (Dr. Phillip Fine).

construction emissions for year 2019 were not analyzed because "very little [construction] is expected to occur in 2019 [...]"²³. SCAQMD staff recommends that the Lead Agency provide an estimate of the proposed project's construction emissions in 2019 and compare those emissions to the de minimis thresholds in the Final EIS/EIR in order to provide substantial evidence that construction emissions in 2019 are below the de minimis thresholds. In the event that a general conformity determination for 2019 is required from SCAQMD, the estimation of the proposed project's construction emissions in 2019 will assist SCAQMD staff in reviewing and determining if the NOx emissions from 2019 can be accommodated within the General Conformity Budgets established in the Final 2012 AQMP.

²³ Draft EIS/EIR. Appendix B4, Draft General Conformity Determination. Table 4-1, *Emission Scenario Years for General Conformity Evaluation Based on 2012 AQMP*. Page 4-2. Footnote 2 to Table 4-1.