

Ports MOU Working Group Meeting #1



Wednesday, March 6, 2019

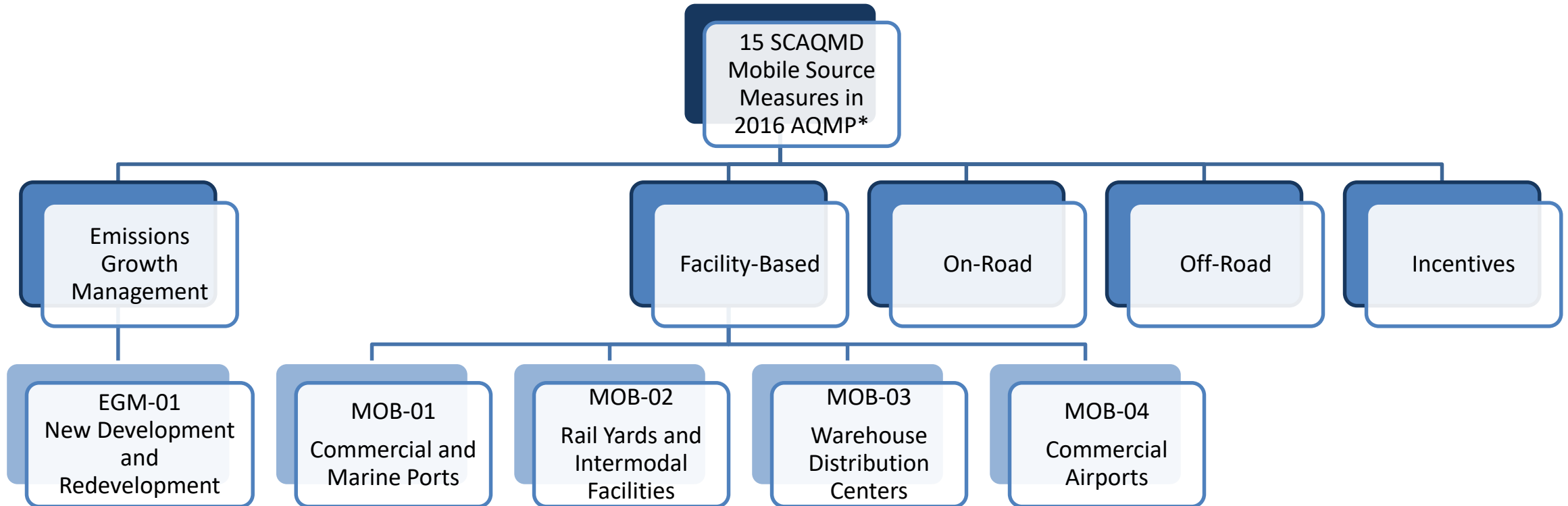


Today's Agenda

1. Introductions
2. SCAQMD's Update on Ports MOU Development
3. Ports Update on CAAP Implementation
4. Next Meeting – April 25, 2019



Facility Based Mobile Source Measures (FBMSM)



* 2016 Air Quality Management Plan was adopted in March 2017

SCAQMD Governing Board's Direction (May 2018)

Sector	Direction
Airports	Pursue MOUs to implement airport clean air action plans
Ports	Pursue MOUs to implement specific CAAP measures; pursue introduction of cleaner vessels
New/Redevelopment	Continue to work with stakeholders to develop rule concepts and preliminary costs/benefits
Warehouses	Develop rule concept; conduct economic impacts study to inform rule concept
Rail yards	Pursue rulemaking; explore potential for new agreements/MOUs beyond the 1998 and 2005 agreements

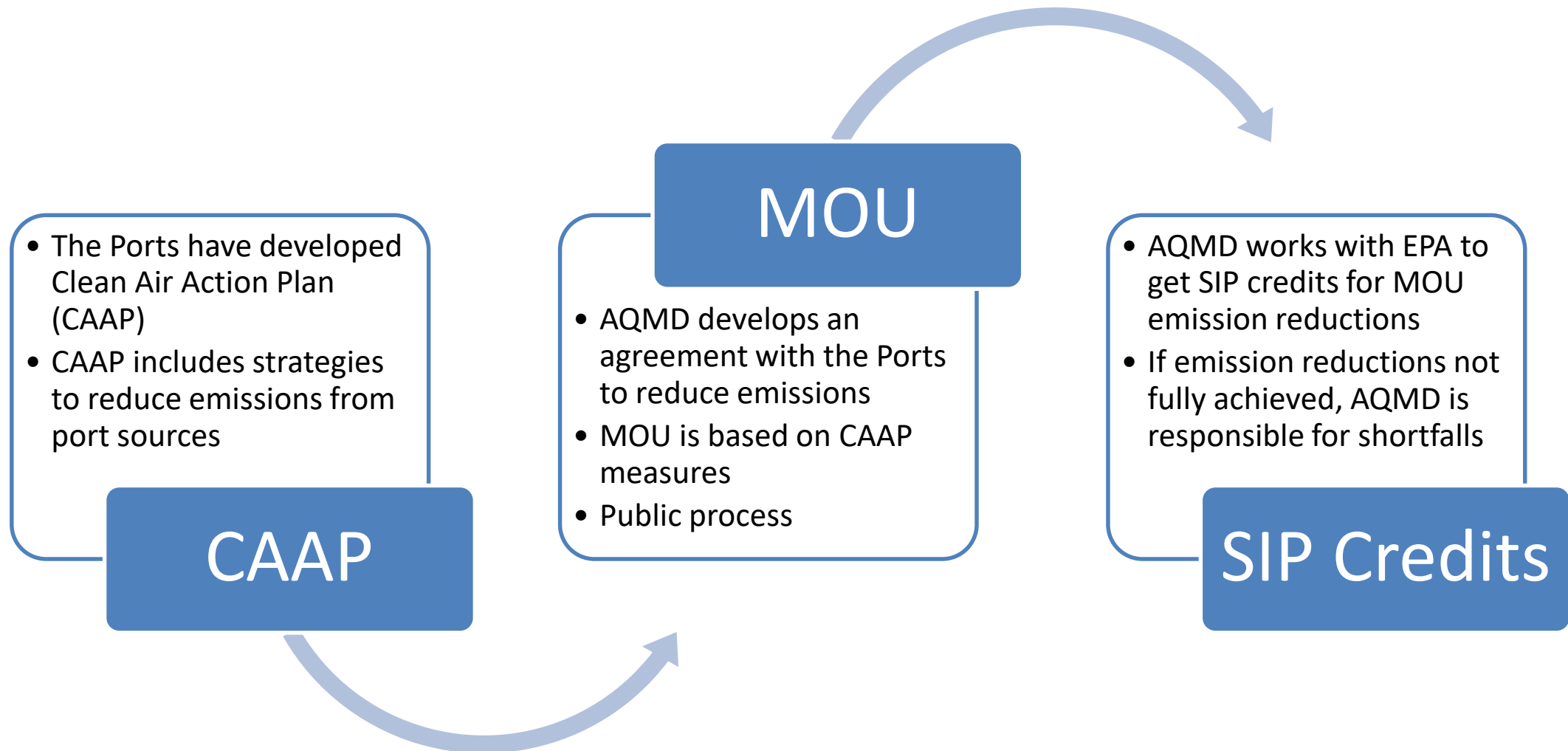


Memorandum of Understanding (MOU)

- Voluntary agreement between SCAQMD and the Ports of Los Angeles and Long Beach to achieve emission reductions
- MOU reductions form the basis for SCAQMD making emission reduction commitments to EPA



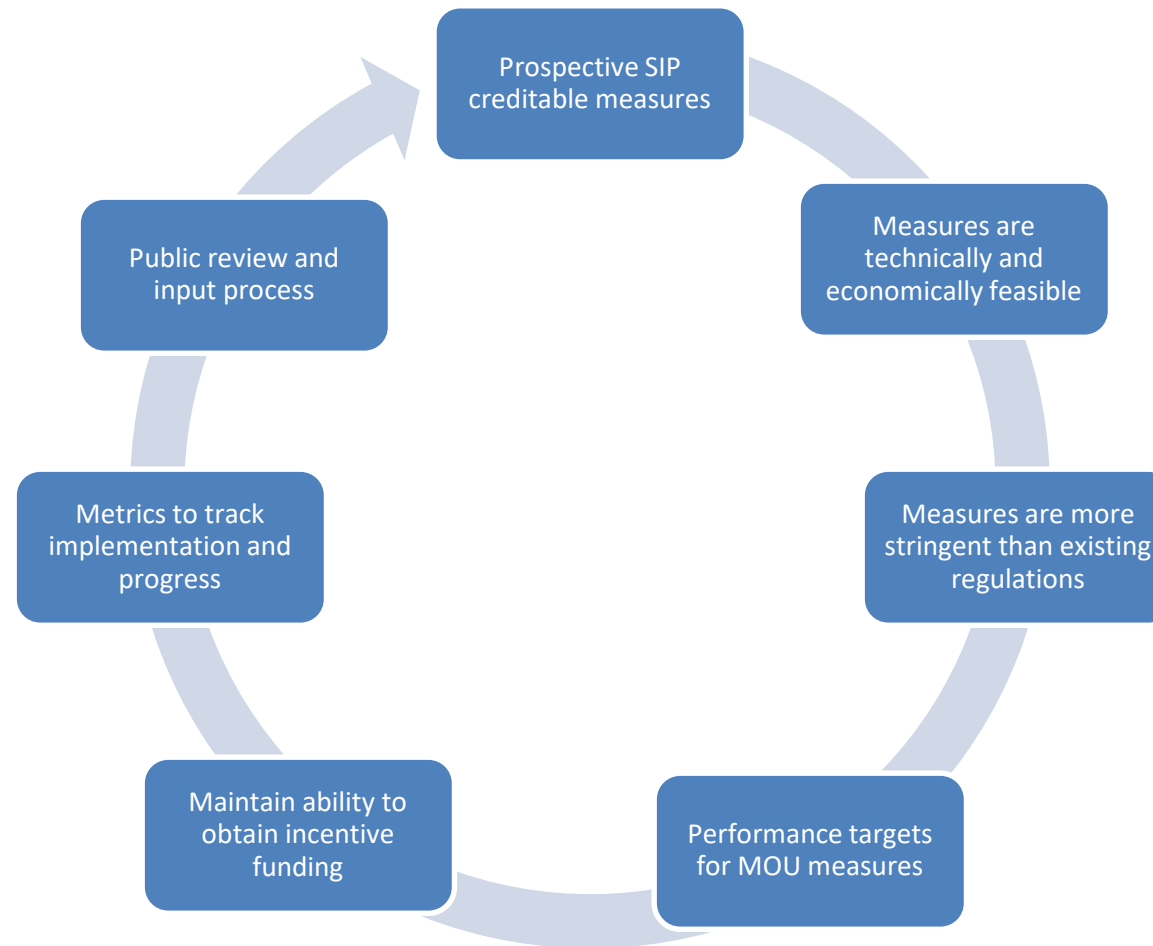
SCAQMD-Ports MOU Approach



SCAQMD – Ports MOU Process

- MOU development through SCAQMD public process
 - Small Technical Working Group (TWG) to establish methodologies and quantify emission benefits for CAAP measures and SIP credits
 - Working Group meetings (TWG products, MOU development)
 - Updates to SCAQMD’s Mobile Source Committee/Governing Board
 - Public workshop/consultation meeting
- Ports public process for CAAP implementation
- MOU subject to approval by POLA and POLB Boards and SCAQMD Governing Board

MOU Key Principles



SIP Creditable Emission Reductions

- Significant emission reductions needed for attainment demonstration of federal Ozone and PM2.5 standards
- MOU reductions to be “SIP” creditable toward attainment demonstration must satisfy EPA’s requirements
 - Integrity elements
 - Permanent, quantifiable, surplus, and enforceable
 - Enforceable commitment (to ensure reductions are achieved)
 - Technical analysis
 - Tracking/reporting requirements
 - Public involvement

MOU Framework: Commitments

Ports



- Implementing and enforcing CAAP/MOU measures
- Performance targets for CAAP/MOU measures
- Tracking/Monitoring progress of CAAP implementation
- Reporting requirements

SCAQMD



- Quantify emission reductions for CAAP measures and SIP credits (2023, 2031)
- Enforceable commitments for reductions (address any potential shortfalls through collaborative process)
- Establish metrics to track implementation progress
- Public access and disclosure

San Pedro Bay Ports Clean Air Action Plan

- Adopted initially in 2006 to provide overall strategy for reducing emissions from port-related cargo movement
- 2017 CAAP Update (with new strategies)
- Emission reductions achieved vs targets (from 2005 levels)

	NOx	DPM	SOx
2023 Targets	59%	77%	93%
Achieved - 2017	58%	87%	97%



2017 CAAP Update - Key Strategies

- Heavy-duty trucks
 - Clean Truck Fund Rate (Rate study underway)
 - Transition to near-zero emissions in early years and ultimately to zero emissions by 2035
- Cargo handling equipment
 - Transition to zero emissions by 2030
 - Procurement plans for new purchases of zero emissions or near-zero if feasible, or cleanest available
- Ocean-going vessels
 - Expand Vessel Speed Reduction Program to maximize participation
 - Develop incentive programs to transition the oldest, most polluting ships out of the fleet
- Harbor craft
 - Repowers to Tier 3 and Tier 4 through incentive measures



SCAQMD's Ports Emission Reduction Program

- SCAQMD's resolution and supporting documents (staff report) for submittal to EPA through CARB
- Based on Ports MOU
 - SIP creditable CAAP measures incorporated in the MOU
- Include necessary documentation to satisfy EPA's requirements
 - Quantification of SIP credits in 2023 and 2031
 - Integrity Elements
 - SCAQMD's enforceable commitment
 - Implementation tracking process
 - Public disclosure mechanism

Upcoming CARB Regulations Related to Ports

Sector	Proposed Requirement	Board Date
Ocean Going Vessels	Shore power or alternative control for 100% of vessel visits (container, reefer, cruise); additional vessel types to be regulated (liquid bulk & tankers, auto carrier/Ro-Ro)	2019
Commercial Harbor Craft	More stringent in-use requirements including additional vessel categories	2020
Cargo Handling Equipment	Transition to zero emissions	2022
Drayage Trucks	Transition to zero emission operation	2022
Heavy Duty Trucks	Lower NOx emission standard; revised in-use testing procedure; and more stringent warranty requirement	2020
Advanced Clean Trucks	ZEV mandate for heavy duty trucks 15% of sales by 2030	2019



Status Update

- On-going discussions with the Ports on MOU process and framework
 - High level agreement on MOU development
 - Draft MOU and comments on AQMD's proposed process submitted by ports
 - Still need to develop and agree to specific commitments by the ports that will achieve SIP creditable emission reductions within the CAAP
- Technical Working Group (TWG) established
 - Led by AQMD with membership from Ports, CARB, EPA, Pacific Merchant Shipping Association, California Trucking Association, and Coalition for Clean Air
 - Develop methodologies to quantify baseline emissions forecast and reduction benefits for CAAP measures
 - Ports committed to support TWG process
- Held Ocean Going Vessel Retrofit Technology Forum in December 2018
 - Convened engine manufacturers, shipping lines, ports and other stakeholders to discuss retrofit technology
 - Secured commitment for a technology demonstration project



Overall Timeline

Item	Date	2019												
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
Ports MOU Development/Adoption	May 2018 - Nov 2019													
Technical Working Group Meetings	Feb 2019 - Oct 2019 (Biweekly)													
Ports Technology Feasibility Study Reports for Trucks and CHE	Q1/Q2 2019													
SCAQMD Mobile Source Committee	February 15, 2019													
Ports MOU Working Group Meeting #1	March 6, 2019													
Ports Truck Rate Study Report	Q2 2019													
Ports MOU Working Group Meeting #2	April 25, 2019													
SCAQMD Mobile Source Committee	June 21, 2019													
Ports MOU Working Group Meeting #3	June 27, 2019													
Draft SCAQMD's Ports Emission Reduction Program Staff Report*	July 2019													
Ports MOU Public Consultation Meeting	August 15, 2019													
Ports MOU Working Group Meeting #4	September 26, 2019													
SCAQMD Governing Board - Set Hearing	October 4, 2019													
SCAQMD Mobile Source Committee	October 18, 2019													
MOU Adoption by POLA and POLB Board of Harbor Commissioners	October 2019													
SCAQMD Governing Board - Public Hearing and Adoption	November 1, 2019													
CARB Governing Board Adoption & Submittal to EPA	December 2019													

* with draft MOUs attached.



Next Steps

- Technical Working Group to continue meeting bi-weekly to develop baseline emissions forecasts (2023, 2031)
 - Initial focus on drayage trucks and CHEs
- Draft MOU language being developed
- Next Working Group meeting on April 25, 2019
 - Baseline emissions forecast for drayage trucks and CHE
 - Updates from Ports on CAAP implementation
 - Draft MOU language

