

SAN PEDRO BAY PORTS

CLEAN AIR ACTION PLAN

Clean Air Action Plan Implementation Progress Report First Quarter 2020

ACCOMPLISHMENTS

CAAP Stakeholder Meeting Postponed

In an effort to protect public health and reduce the spread of Coronavirus, the ports of Long Beach and Los Angeles (Ports) have decided to cancel the ninth in-person CAAP Stakeholder Advisory Meeting. Ports' staff continue to work remotely during this time towards the clean air goals outlined in the Clean Air Action Plan (CAAP). This Q1 2020 report covers the material that would have been presented at the meeting.

TRUCKS

- **2018 Tariff Modification.** As of October 1, 2018 all new trucks entering the Port Drayage Truck Registry (PDTR) must meet 2014 model year or better. As of the end of Q1 2020, more than 5,500 "2014 Model Year" or newer trucks have registered in the PDTR since the tariff change went into effect.
- **Truck Rate Study.** The Ports held the Q4 2019 CAAP Stakeholder Advisory Meeting on January 15, 2020, which focused mainly on the Draft Clean Truck Economic Rate Study and the proposed Clean Truck Fund (CTF) Rate Proposal. The Ports received written comments on the Clean Truck Economic Rate Study through January 31, 2020. The Clean Truck Economic Rate Study was finalized and placed on the Clean Air Action Plan website on February 27, 2020.
- **Clean Truck Fund Rate.** The Ports held a joint Board of Harbor Commissioners (BHC) Meeting on March 9, 2020 to consider and approve a CTF Rate of \$10 per Twenty-Foot Equivalent Unit (TEU). The approved \$10 per TEU CTF Rate will be charged to the Beneficial Cargo Owners (BCOs) that utilize trucks hauling loaded containers in and out of the marine terminals at the ports of Los Angeles and Long Beach, with a permanent full exemption for California Air Resources Board (CARB) certified zero emission (ZE) trucks. The Ports set the amount of the CTF Rate as a resolution in advance of tariff approval to allow for stakeholder planning. The additional time will allow various stakeholders, including the BCOs, shipping lines and trucking companies, to incorporate the information on the CTF Rate into their annual contract negotiations for 2020 pricing. The CTF Rate amount will not be collected until the following actions take place: (1) CARB adoption of a heavy-duty low NO_x engine manufacturing standard; (2) Board approval of a CTF Rate collection mechanism; and (3) adoption of a Port of Los Angeles (POLA) Tariff Amendment by the Board and the Los Angeles City Council that authorizes the details of the CTF Rate collection. In addition, Ports' staff will need to finalize the structure for the incentive program to be funded by the CTF Rate. Development of this structure will begin in Q2 2020. Finally, the Ports are planning to work with the Agencies to hold a Truck Manufacturer Summit to bring together leaders from CARB, South Coast Air Quality Management District (AQMD), the San Pedro Bay Ports and near-zero and zero emission truck (NZE/ZE) Original Equipment Manufacturers to gain a common understanding of the

manufacturing capability for deployment of commercialized NZE/ZE Class 8 drayage trucks.

- **Rate Collection Mechanism.** In anticipation of the CTF Rate, the Ports released a Request for Proposals (RFP) in Q1 2019 which included minimum requirements for how to collect a rate from BCOs. The Ports have tentatively selected a contractor and are negotiating the contract for services. The Ports plan to bring separate contracts to their respective Boards of Harbor Commissioners (Boards) for consideration in the summer of 2020.
- **Large-Scale Zero Emission Truck Deployment Pilot Project.** The Ports are developing a Concept Paper for a large-scale deployment of 50 to 100 ZE trucks operating in routine duty cycles at the Ports. The Final Concept Paper is expected to be completed in Q2 2020. The Ports will use the Concept Paper to collaborate with stakeholders and seek federal, state, and local funding to conduct the demonstration of the large-scale deployment.
- **Early Deployment and Demonstrations.** The Ports continue to manage several grant-funded demonstrations of ZE trucks, including over 20 hydrogen fuel-cell or battery electric trucks as part of supply-chain pilots. The Ports have also committed to supporting regional demonstrations. This includes the deployment of near-zero natural gas drayage trucks through a California Energy Commission (CEC) grant secured by AQMD that is expected to fund up to 140 low NOx trucks. AQMD has begun contracting with trucking companies to deploy the low NOx trucks; approximately 100 are registered in the PDTR and the rest are expected to be deployed in 2020. There are currently 26 electric trucks registered in the Ports' PDTR.

TERMINAL EQUIPMENT

- **Early Deployment and Demonstrations.** The Ports continue to manage several grant funded demonstration projects, including ultra-low NOx and electric yard tractors, electric top handlers, and electric rubber-tired gantry cranes, as well as innovative approaches to charging infrastructure and demonstrations of supporting electrical infrastructure, including micro-grid controls with distributed generation and battery storage.

At POLA, as part of the Green Omni Terminal project, 2 battery-electric TransPower/Kalmar yard tractors, 1 battery-electric heavy-duty forklift, and the ShoreKat treatment system, which scrubs emissions from vessels at berth, continue to be demonstrated. Two additional battery-electric heavy-duty forklifts were delivered to Pasha during Q1 2020. BYD continues to seek approval for chargers for their yard tractors at Pasha. At Everport, as part of 2 grant projects, BYD chargers for the 2 battery-electric Taylor top handlers and 5 BYD battery-electric yard tractors have been approved for use and the demonstration of the equipment began. All equipment initially required mechanical repairs. The Taylor top handlers were repaired at the terminal and returned to use, while the BYD yard tractors will be modified at the BYD facility and returned to service once repairs are completed. Everport continues to demonstrate 20 Capacity renewable natural gas yard tractors.

At the Port of Long Beach (POLB), 4 pieces of ZE cargo handling equipment are in demonstration mode; one Kalmar yard tractor (SSA, Pier J) and 3 Taylor top handlers (2 at SSA, Pier J and 1 at LBCT) are operating in revenue service and supported by commissioned ZE infrastructure. The top handlers are not operating in a two-shift mode as required. Taylor is reviewing the data collected and exploring opportunities to provide adjustments to the top handlers. Under a separate demonstration, a total of 6 BYD chargers and 1 Cavotec smart plug system (SPS) were commissioned at ITS, Pier G. A

second SPS unit was commissioned at LBCT, Pier E. For the battery-electric rubber tire gantry crane (eRTG) demonstration, the Cavotec cable reel was installed on the first eRTG crane. SSA is expected to begin testing the first eRTG in Q2 2020.

Ports' staff are diligently overseeing the demonstrations and any potential schedule delays due to the Coronavirus. The Ports will continue to coordinate with the funding agencies as more information becomes available.

SHIPS

- **Vessel Speed Reduction Enhancements.** The Ports are continuing outreach to the shipping lines to explore ways of enhancing participation at the 40 nm marker for vessel speed reduction. 95% of vessels visiting the Ports in Q1 2020 slowed down to 12 knots within 20 nautical miles of Point Fermin, and 91% of vessels slowed within 40 nautical miles.
- **Ship Incentive Programs.** The Ports continue to collaborate with other West Coast ports, as well as our local air district on ways to enhance participation in our clean ship incentive programs.
- **At Berth Regulation.** The California Air Resources Board (CARB) held a webinar on January 30, 2020 to discuss suggested changes to the proposed At Berth Regulation based on Board direction during the December 5, 2019 Board Hearing. CARB released their 15-day changes on March 26, 2020. The deadline to submit comments is May 1, 2020. The Ports will continue to actively work with CARB on this effort and will provide public comment on the 15-day changes in Q2 2020.

OTHER

- **Technology Advancement Program (TAP).** In January 2020 the TAP updated its program guidelines to include a new Request for Information (RFI) process. This is a process for initiating a funding request from the Ports for projects that are "shovel ready". The concept paper template, updated guidelines, and submission instructions are available on the TAP website (<https://cleanairactionplan.org/technology-advancement-program/tap-guidelines-and-funding-opportunities/>).

The Ports are moving forward with two ocean-going vessel projects with Pasha Hawaii (one repower and one new build). The Port of Long Beach BHC approved these projects in Q1 2020, and they will be considered by the Port of Los Angeles BHC in Q2 2020. Additionally, the two Ports will go to their respective BHC for approval to enter into a contract with the AQMD for demonstration of a ship water-in-fuel technology project in Q2 2020.

The 2019 TAP Annual Report is available on the TAP website (<https://cleanairactionplan.org/documents/2019-tap-annual-report.pdf/>).

PLANNED ACTIONS NEXT QUARTER

- Begin development of the structure for the incentive program to be funded by the CTF Rate.
- Coordinate with the Agencies on a Truck Manufacturer Summit.
- POLA will seek BHC approval of the new Pasha Hawaii TAP ocean-going vessel projects.
- Both Ports will seek BHC approval of the AQMD ship water-in-fuel technology project.

- Finalize the Large-Scale Zero Emission Truck Deployment Concept Paper and collaborate with stakeholders on impending solicitation opportunities.

Any questions or comments can be sent at any time to the CAAP email at:

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