

# SAN PEDRO BAY PORTS CLEAN AIR ACTION PLAN

San Pedro Bay Ports Clean Truck Program: Overview of New Clean Truck Fund Rate & Fact Sheet and Frequently Asked Questions

- In 2017, the Port of Long Beach and Port of Los Angeles adopted a Clean Air Action Plan Update, which outlines strategies to reduce pollution from portrelated sources.
- One of the strategies outlined in the 2017 CAAP Update is to reduce pollution from on-road drayage trucks through updates to each port's Clean Truck Program.
- The first phase of the updated Clean Truck Program required any new registrations in the Port Drayage Truck Registry (PDTR) after Oct. 1, 2018, to be model year 2014 or newer trucks.
- The second phase of the Clean Truck Program is the development and implementation of a Clean Truck Fund (CTF) rate. A resolution setting a CTF rate amount of \$10 per twenty-foot equivalent unit (TEU) was adopted by the ports' Boards of Harbor Commissioners in March 2020. The tariffs implementing the CTF rate collection were approved by the Boards in November 2021, with the collection scheduled to begin on April 1, 2022.
- The purpose of the CTF Rate is to generate funds to accelerate the deployment of clean trucks, in support of achieving the goal of a zero-emission drayage truck fleet by 2035.
- Starting April 1, 2022, \$10 per TEU (\$20 for containers longer than 20 feet) will be charged on loaded import and export containers hauled by trucks, with exemptions provided for containers hauled by low-

nitrogen-oxide or ZE trucks. Containers hauled by ZE trucks will be permanently exempt from the rate. Low-NOx trucks will have limited exemptions out to certain dates depending on the port the truck visits, varying by port as below:

- At POLA, low-NOx trucks registered in the PDTR and placed into service by Dec. 31, 2022, will receive an exemption through Dec. 31, 2027.
- At POLB, low-NOx trucks purchased prior to Nov.
  8, 2021, that remain with the original owner will be exempt through Dec. 31, 2034. Low-NOx trucks that are purchased and registered in the PDTR by Dec.
  31, 2022, or that are purchased by July 31, 2022, and registered in the PDTR within 30 days of delivery, will receive an exemption at POLB through Dec. 31, 2031.
- Any future changes to the Clean Truck Program, CTF rate, or truck incentive program will be determined by the respective ports' Boards.

#### **Frequently Asked Questions**

1. Who is responsible for paying the CTF rate? Beneficial Cargo Owners (BCOs) or their authorized agent is responsible for paying the CTF rate. Each port's tariff includes a provision prohibiting the CTF rate being paid by truck drivers.

#### 2. How much is the CTF rate?

The approved CTF rate is \$10 per TEU for loaded containers (\$20 for containers longer than 20 feet) hauled by drayage trucks, with lifetime exemptions provided for containers hauled by ZE trucks. Limited-time exemptions will also be provided for containers hauled by low-nitrogen-oxide trucks.

#### 3. When does the rate collection begin?

April 1, 2022. The tariffs currently state the CTF rate will end on Jan. 1, 2035, but that may be subject to change.

### 4. Will administrative fees be charged in addition to the \$10/TEU CTF rate?

No, there are no additional charges required of payers beyond the \$10/TEU CTF rate. The ports shall fund their costs for the CTF rate collection and program administration out of the collected rate revenues.

#### 5. How will the CTF rate be collected?

A third-party entity, PortCheck, was selected by both ports to provide the mechanism for the CTF rate collection. BCOs or their agents will be responsible for logging into the PortCheck system to clear the containers prior to pick up or drop-off by the drayage truck. The CTF rate web portal will be connected to the existing PierPass system.

### 6. How will the ports ensure a smooth rollout and avoid disruptions to trucking activity?

The Ports have been conducting outreach to BCOs and the trucking industry to support the program. The first workshop was held in January 2022 and additional engagement will continue leading up to the April 1, 2022, start date. Recordings of the collection mechanism tutorials, as well as user manuals and stepby-step presentations on how to pay the CTF rate, are available at *cleanairactionplan.org/strategies/trucks*.

PortCheck will also have user support available once the system is live.

#### 7. What is the definition of a zero-emission truck?

It means a drayage truck that meets the definition of "Zero Emission Vehicle" in the California Air Resources Board Advanced Clean Truck Regulation, "an onroad vehicle with a drivetrain that produces zero exhaust emission of any criteria pollutant (or precursor pollutant) or greenhouse gas under any possible operational modes or conditions." See more at *ww3. arb.ca.gov/regact/2019/act2019/fro2.pdf*.

### 8. What is the definition of a low-NOx truck eligible for rate exemption?

The two ports each have a definition of a low-NOx truck eligible for exemption.

POLA defines a low-NOx truck as a truck that that meets or exceeds the manufacturing standard for engines under the Low-NOx Omnibus Regulation adopted by CARB. View the regulation at *ww2.arb. ca.gov/rulemaking/2020/hdomnibuslownox*.

POLB defines a low-NOx truck as a truck that meets the optional 0.02 grams per brake horsepower-hour standard or the final 2027 model year 0.02 grams per brake horsepower-hour standard NOx engine emission standard under the Low NOx Omnibus Regulation adopted by CARB.

## 9. What are the differences between POLA and POLB programs' exemptions duration?

Both POLA and POLB have lifetime exemptions for zero-emission trucks. There are limited exemptions for low-NOx trucks, with differences in the ports' exemptions listed in Table 1.

Table 1: Low-NOx Only Truck Exemptions Duration	
Port of Los Angeles	Port of Long Beach
Truck registered in PDTR and placed into service by Dec. 31, 2022 = Exemption until Dec. 31, 2027	Truck purchased before Nov. 8, 2021 = Exemption until Dec. 31, 2034
	Truck registered in PDTR and in service by Dec. 31, 2022 = Exemption until Dec. 31, 2031
	Truck is purchased by July 31, 2022, and registered in the PDTR within 30 days of receipt of the truck = Exemption until Dec. 31, 2031

### 10. I have a low-NOx or ZE truck, how do I ensure my

exempt truck does not get charged the CTF rate? All low-NOx and ZE trucks must visit the Terminal Access Center to confirm their truck status and register as a low-NOx or ZE truck in the PDTR before April 1, 2022. No refunds will be given to any low-NOx or ZE truck that are charged the CTF rate if they are not registered as such prior to entering the ports on or after April 1, 2022. Low-NOx or ZE trucks may be registered after April 1, 2022, as explained in Question No. 9, but they will not receive refunds for any CTF rate charges.

#### **Terminal Access Center Location:**

1265 Harbor Ave., Long Beach, CA 90813 Monday through Thursday, 8 a.m. to 5 p.m. Friday, 8 a.m. to 4 p.m.

Please call the TAC helpline to schedule an appointment at 866-721-5686.

### 11. Why are low-NOx trucks given a limited exemption period?

The low-NOx exemption is designed to incentivize the early deployment of low-NOx trucks to achieve nearterm criteria pollutant (i.e., diesel particulate matter and nitrogen oxide) emission reductions. The ultimate goal of the 2017 CAAP Update is to transition to 100% zero-emission-drayage operations by 2035.

### 12. Do I have to purchase a low-NOx or zero-emission truck to be able to operate at the ports?

No, trucks that are not low-NOx or zero-emission can continue to operate, as long as they are registered in the PDTR, current on their concession/registration fees, compliant with CARB's truck regulations, and pay the CTF rate. Any truck that is model year 2014 or newer may enter the PDTR at any time. However, in order to be exempt from the CTF rate, low-NOx and zero-emission trucks will need to be registered in the PDTR and verified exempt through an inspection at the TAC.

### 13. If I purchase a low-NOx truck now will I receive an exemption?

Which port you visit and when you register/verify your low-NOx truck into the PDTR will determine if your truck will be exempt from the CTF rate. See Table 1 for the ports' low-NOx exemptions in the response for Question No. 9.

### 14. I own a zero-emission truck; will I be charged the CTF rate?

No, all ZE trucks, regardless of fuel type, will be lifetime-exempt from the CTF rate collection after you register/verify your ZE truck into the PDTR and have it inspected at the TAC. Any rate collected at the terminal gate will be credited back to the account.

### 15. How do I know which low-NOx or zero-emission technologies are "feasible"?

The ports are currently developing the second Technology Feasibility Assessment for on-road trucks. These assessments are updated at least every three years. This report will be publicly available and posted on the *CAAP website*.

#### 16. Will the CTF rate amount change over time?

Implementation of the CTF rate and the use of the revenues will be monitored and evaluated regularly and adjustments will be considered as appropriate. The ports' Boards of Harbor Commissioners will include many factors in their evaluations, including consideration of future Technology Feasibility Assessments, incentive demand and allocations, and review of regulatory requirements in their determination of any future CTF rate adjustments or changes to incentive funding priorities.

#### 17. How will the collected money be used?

The purpose of the CTF rate is to generate funds to accelerate the deployment of clean trucks, in support of achieving the goal of zero emission drayage trucks by 2035. The specific allocations of funding will be determined by each port's Board through approval of spending plans, the first of which are anticipated for consideration in March 2022.

#### 18. Will the ports install electrical charging stations, RNG/LNG fueling stations and/or hydrogen fueling stations?

Adoption and use of new low-NOx and zero-emission technologies may require new fueling and charging infrastructure throughout the region. Technology Feasibility Assessments evaluate the availability of infrastructure to support the use of these technologies. The ports will also continue to collaborate with government agencies as well as private entities to evaluate the status of infrastructure throughout the region to support the operation of the various types of low-NOx and ZE trucks. Each port's Board will consider specific funding contributions to infrastructure, as appropriate, through CTF rate spending plans.

#### 19. When will the collected money be spent?

The ports intend to make the money available soon after the CTF rate is collected. Each port's Board will be considering spending plans in March 2022 that will establish the near-term objectives of the CTF investments, describe priority targets for spending, and identify the pathways and programs that will be used to disseminate the funds.

#### 20. Does this program extend to other ports?

The requirements of the Clean Truck Programs at the ports of Los Angeles and Long Beach are specific to these two ports. Drayage trucks operating at other state ports will be affected by any CARB truck regulations that are applicable statewide.

### 21. Where can I find information on funding incentives for trucks?

Visit *www.cleanairactionplan.org* for information on truck funding programs after the CTF rate begins collection on April 1, 2022.

### 22. What are the State's rules and regulations on drayage activities at ports?

Information on CARB's Drayage Truck Regulation can be found at *ww2.arb.ca.gov/our-work/programs/ drayage-trucks-seaports-railyards*.

Please note, CARB's Drayage Regulation states owners of drayage trucks with 2007 model year or newer are fully compliant until Dec. 31, 2022, for ports in California. Starting Jan. 1, 2023, trucks must have 2010 model year or newer engines to operate in California. For information on the development of new statewide drayage truck requirements transitioning toward zero emissions, follow the CARB Advanced Clean Fleets rulemaking at *ww2.arb.ca.gov/our-work/ programs/advanced-clean-fleets*.

Information on CARB's Truck and Bus Regulation can be found at *ww2.arb.ca.gov/our-work/programs/truck-and-bus-regulation*.

Please note, CARB's Truck and Bus Regulation bans pre-2010 model year trucks statewide in 2023.

For complete information about the Clean Air Action Plan and the Clean Trucks Program go to *www.cleanairactionplan.org.*