

Proposed Approach for Ensuring Port Emission Reductions

The Cities of Los Angeles and Long Beach and their Harbor Departments propose a voluntary, enforceable agreement (Agreement) between the South Coast Air Quality Management District (SCAQMD), the City of Long Beach Harbor Department (POLB), and the City of Los Angeles Harbor Department (POLA). The Agreement goes above and beyond planning for zero emissions infrastructure deployment by calling for the Ports to voluntarily implement six new sets of Clean Air Action Plan (CAAP) Plus Measures, in collaboration with industry, which gives SCAQMD the option to quantify the anticipated emission reduction benefits from these measures for potential State Implementation Plan (SIP) credits.

The Agreement aims to facilitate enhanced collaboration on air quality improvements and prevent disputes. It is offered in lieu of AQMD's PR 2304, and to proceed with the Agreement, the development of PR 2304 would be set aside. The Agreement is based on the successful 2019 Memorandum of Understanding (MOU) between SCAQMD and the Los Angeles World Airports and the 2025 MOU between the Port of San Diego and the San Diego Air Pollution Control District.

Key CAAP Plus Measures included in the Proposed Agreement

• Clean Ship Program Enhancements: The ports will enhance incentives for cleaner Ocean Going Vessels (OGVs) through programs like the Environmental Ship Index (ESI), implement additional OGV shore power, and enhance vessel speed reduction programs. The Ports will also implement Green Shipping Corridors to support decarbonization of the shipping industry, with goals like conducting a methanol marine fueling pilot project and demonstrating the first Zero Lifecycle Carbon Emission Container Ship(s) along the Shanghai Corridor by the end of 2030.

- **ZE Drayage Truck Equipment and Infrastructure Funding**: The ports will commit to utilize Clean Truck Fund Rate revenues to subsidize Zero-Emission (ZE) port drayage trucks and their infrastructure, including a combined \$60 million over the next three (3) years for ZE infrastructure supporting drayage trucks throughout the region.
- **ZE Terminal Equipment and Infrastructure Funding**: The Ports will pursue and manage grant funding for ZE cargo handling equipment (CHE) and infrastructure on behalf of their tenants and operators, including substantial state and federal grant awards.
- **ZE In-Port Switcher Locomotives**: The ports will pursue and manage grant funding for ZE locomotives, develop a ZE Switcher Locomotive with Union Pacific, utilize up to \$50 million for ZE locomotives and infrastructure, conduct technology assessments, and prioritize ZE switcher locomotive implementation plans in operator contracts.
- **ZE Equipment and Infrastructure Workforce Development**: The ports will implement various programs like the Joint Port of Los Angeles and Port of Long Beach Goods Movement Workforce Training Facility, manage the grant funded ZE Workforce Development Program, and implement education and workforce development initiatives to prepare the workforce for the transition to ZE technology.
- Port Zero-Emission Infrastructure Plans: Each Port will deliver ZE infrastructure plans (Phase 1 by Oct 2027, Phase 2 by Oct 2029, Phase 3 by Oct 2030) for charging and fueling infrastructure on Port-owned property for CHE, Drayage Trucks, Local Switcher Locomotives, Harbor Craft, and OGVs. These plans will include technical details, site locations, schedules, energy demand, cost estimates, environmental requirements, and construction workforce needs.
- Accountability and Enforcement, including:
 - o Commitments to implement the CAAP Plus Measures with time milestones.
 - The Ports will engage the public through robust outreach including the CAAP Stakeholder Process and their respective Boards of Harbor Commissioners' and City Councils' public processes for the CAAP Plus Measures, and will monitor and report on implementation progress annually.
 - Modifications to CAAP Plus Measures must also undergo the same robust public process, and the Ports will endeavor to develop substitute measures if a component becomes infeasible.
 - Collaborative provisions to resolve any disputes informally or through mediation first, but court enforcement action is also available.
 - Additional accountability and transparency provisions to be negotiated by the parties.