Bay Area Air Quality Management District 939 Ellis Street San Francisco, California 94109 (415) 749-5000

APPROVED MINUTES

Summary of Board of Directors Meeting of the Ad Hoc Committee on Port Emissions 9:30 a.m., Thursday, May 17, 2007

1. **Call to Order – Roll Call:** Chairperson Nate Miley called the meeting to order at 9:33 a.m.

Present: Nate Miley, Chairperson, John Gioia (9:35 a.m.), Scott Haggerty, Liz Kniss (9:52

a.m.), Mark Ross (9:36 a.m.), Pamela Torliatt, Gayle B. Uilkema.

Absent: Tim Smith.

- 2. **Public Comment Period:** There were none.
- 3. **Approval of Minutes of April 5, 2007:** Director Haggerty moved approval of the minutes, seconded by Director Torliatt; carried unanimously without objection.
- 4. **Report on the San Pedro Bay Plan and Follow Up on Other Information Requests from the April 5, 2007 Meeting of the Committee:** Staff presented a summary of the joint Clean Air Action Plan adopted by the Ports of Los Angeles and Long Beach in November 2006 and responded to questions from the prior meeting of the Committee.

Henry Hilken, Division Director, Planning, Rules & Research noted that at a previous meeting, the Committee requested information on maritime activities in the San Francisco Bay. In particular, the Committee requested information on the Ports of Los Angeles and Long Beach. Michael Murphy, Advanced Projects Advisor, presented the item to the Committee.

Director John Gioia arrived at 9:35 a.m. Director Mark Ross arrived at 9:36 a.m.

Mr. Murphy provided the Committee with information on the ports, which included:

- Ports of Los Angeles and Long Beach are the 1st and 2nd largest ports in the United States;
- Both governed by separate Port Commissions;
- Combined both are the 5th busiest maritime complexes in the world;
- Provide \$300 billion in economic value; 40% of all US containerized trade; and
- Port of Oakland, the 4th largest U.S. Port.

In addition to the large amounts of containers they handle, they are also the major points for the infiltration of oils, fuels, and other types of bulk products that are used in construction trades or in other parts of the economy.

The Port of Oakland's current plan for growth is forecasted to triple by 2020, which would bring them up to where Long Beach is currently.

The estimated amount of emissions from both ports Los Angeles and Long Beach in 2001 and 2002 in the South Coast Air Basin represented 12% of the diesel PM emissions in that region; 9% of the nitrogen and about 45% of SOx. These numbers were published in the Clean Air Plan and will be adjusted to reflect the year 2005. The numbers represent the emissions that take place off their properties (trucks and trains after having left the port property).

In response to calls to reduce emissions from these activities, there is also a need for the ports to keep their overall emissions down in the South Coast Air Basin. The San Pedro Bay Ports worked together and adopted the joint Clean Air Action Plan (CAAP) in November of 2006.

The primary goals of CAAP in the San Pedro area are:

- Reduce public health risk from exposure toxic air contaminants;
- Reduce diesel PM and criteria pollutants by 45% to 50% within 5 years; and
- New development projects, or renewed/changed leases, will only be approved if estimated excess residential cancer risk is below 10 in 1 million.

It would bring down emissions in a short period of time, and the benefits include:

- Replacement or retrofit of approximately 16,000 heavy-duty trucks;
- Conditions placed on truck access to the marine terminals, to change how trucks are used and are given access to their terminals;
- Electrical shore power at all marine terminals;
- Use of low-sulfur marine fuels by large vessels; and
- A technology advancement program, in partnership with the South Coast AQMD that are undertaking a technology advancement program that will focus on hybrid technologies, alternative fuels, as well as operational research to see if they can speed up the flow and bring the emissions down even further after the first 5 year period.

Estimated costs and funding sources:

- \$2.1 billion in public funds; and
- 87.5% or \$1.8 billion will be spent on reducing heavy-duty truck emissions, reflective of new trucks as opposed to retrofitting.

It is forecasted that the funds for these activities will come from the San Pedro Ports through container fees, as South Coast AQMD is earmarked \$47 million. It is proposed to have a new truck impact fee at \$34 per visit by trucks, not to be paid by the truck owner or operator, but rather by whoever is commissioned to have the container picked up or delivered and they hope to gain a share of the state bond revenue from November 2006.

Many of the adopted CAAP strategies can be implemented at the ports in the Bay Area, due to the fact that the Bay Area has a lower volume of shipping and trade. Chances are that the costs and implementation details can be scaled down and applied to the Bay Area ports.

Director Liz Kniss arrived at 9:52 a.m.

In response to a question from Director Uilkema, Mr. Murphy stated that there are plans for the Port of Oakland and the Bay Area to become more efficient and quick to transport in and out of the ports. The Port is proposing to reconfigure some of the circulative roads and terminals, so that there is less bottlenecks. They currently have a checkpoint at 7th Street, near the major intersection and are making other improvements, provided they are able to obtain some of the infrastructure monies made available.

Mr. Murphy stated that it would take approximately 5 years time to bring the old trucks to the emissions level of that of a brand new 2007 truck. Something to consider in the Bay Area is to adopt an appropriate strategy for the Air District that can be replicated.

After lengthy discussion amongst the Committee, Mr. Murphy provided information on the average times at berth or anchors for ocean-going vessels located in the San Francisco Bay Area.

The times are as follows:

- Anchorages 8 & 9 (areas between San Francisco and Alameda) 31 hours;
- Port of Oakland 21 hours;
- Bulk ports 20 hours;
- Refineries 20 hours; and
- Cruise Terminal, SF 10 hours

Speakers: The following individuals spoke on this agenda item:

Delphine Prevost Jay Ach

Port of Oakland Port of San Francisco

530 Water St. Pier

Oakland, CA 94607 San Francisco, CA 94111

Ellen Johnck

Bay Planning Coalition

Director Haggerty requested that Ms. Prevost, from the Port of Oakland be invited back to a future meeting and provide the Committee with a status update of their plans.

Committee Action: None. This report provided for information only.

5. Report on the Creation of a Workgroup to Assist the District in Developing Regulatory Concepts: The Committee was presented with a brief report on the potential members for a workgroup that would assist the Air District in developing regulatory concepts for the San Francisco Bay Area Green Ports Initiative..

Brian Bunger, Counsel, presented the report and noted two documents provided to the Committee and provided updates on the rule development of this category.

Mr. Bunger noted that staff will convene with interested parties as an advisory panel, to help the Air District work through the issues. Staff has identified individuals and organizations that will meet. Some of those included are:

- Bay Planning Coalition;
- Air Resources Board;
- Metropolitan Transportation Commission;
- SF Bar Pilots; and
- Teri Shore, Friends of the Earth

Continuing, Mr. Bunger asked the Committee to provide staff with providing the names of additional organizations or individuals. The group will consist of approximately 25-30 individuals representing the various organizations. It is anticipated that the first meeting will take place in late June.

Director Uilkema recommended that the refineries be added to the list. Also included will be State Representatives and CalTrans.

Speaker: The following individual spoke on this agenda item:

Jay Ach Port of San Francisco Pier 1 San Francisco, CA 94111

Committee Action: None. This report provided for information only.

- 6. **Committee Member Comments/Other Business:** There were none.
- 7. **Time and Place of Next Meeting:** At the Call of the Chair.
- 8. **Adjournment:** The meeting adjourned at 11:04 a.m.

Vanessa Johnson Vanessa Johnson Acting Clerk of the Boards