



Draft Concepts: Memorandum of Understanding between the San Diego Air Pollution Control District and the Port of San Diego

FOR DISCUSSION AND FEEDBACK



Draft

Purpose of the Meeting

The San Diego County Air Pollution Control District (APCD) Governing Board directed staff to pursue a Memorandum of Understanding (MOU) with the Port and report back on progress and concepts in December 2023.

The focus of today's discussion is to:

- Provide background;
- Share draft concepts;
- Gather feedback;
- Identify additional considerations; and
- Discuss schedule and next steps.

CERP Goals Supported

GOAL 1. By 2031, reduce Diesel PM from 2018 levels by 80% in ambient air at all Portside Community locations.

GOAL 2. MD & HD trucks servicing Portside Community to be 100% ZEV 5 years ahead of California state requirements

GOAL 3. Establish ZEV HD/MD truck charging infrastructure in Portside, by specified dates in Action E1, with 4 sites operational by 2026.

GOAL 4. Reduce emissions from HD/MD trucks servicing indirect sources by 100% 5 years in advance of regulatory requirements

GOAL 9. By 2031 complete Harbor Drive 2.0 truck freight improvements, including enforcement and signage of truck route for National City.

MOU Potential Concepts



Cargo Handling Equipment (CHE)



Ocean Going Vessels



Zero-Emission Truck Program



Port Fleet Zero Emission Transition



Infrastructure Planning



Public Participation and Transparency

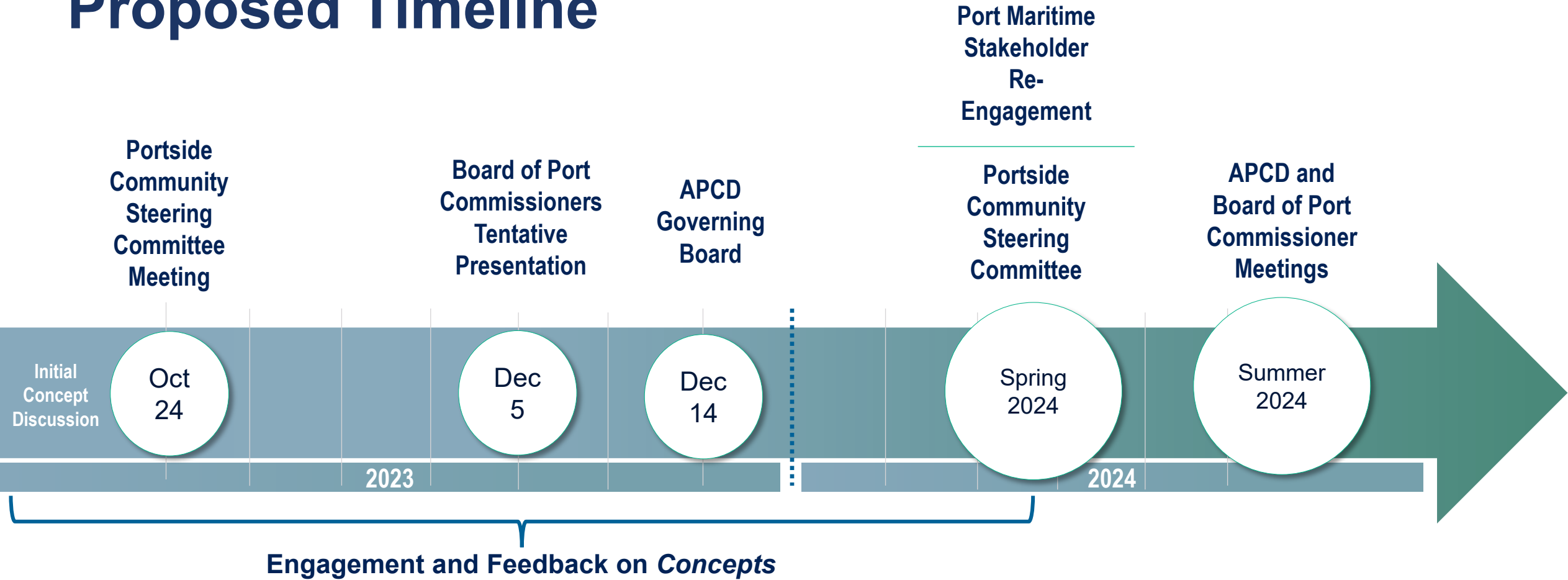


Incentives and Grants



Maritime Industrial Impact Fund Concepts

Proposed Timeline



Air Pollution Health Impacts

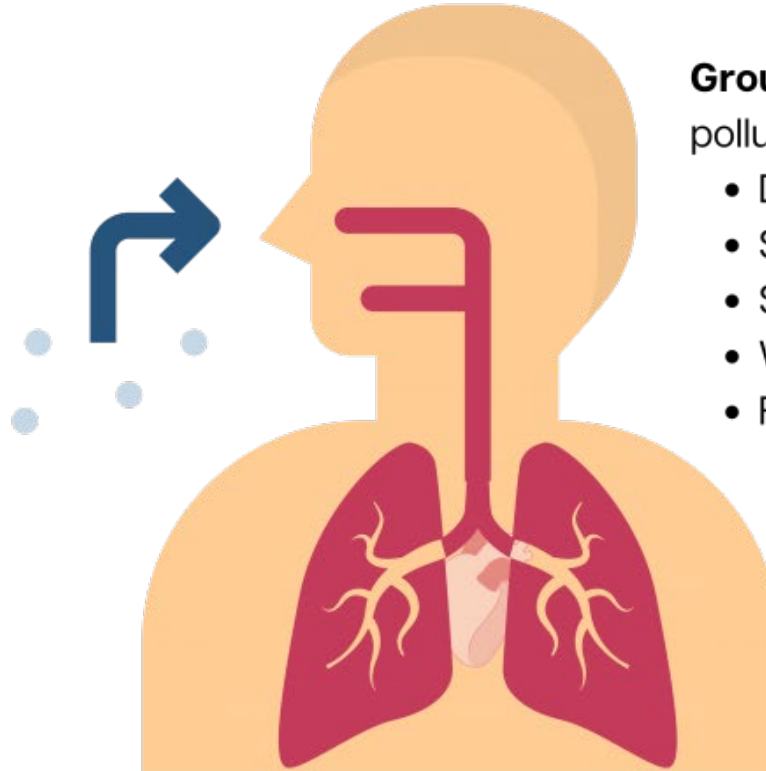
Fine particles (PM 2.5)

pollution cause:

- Shortness of breath
- Wheezing, coughing
- Chest pain
- Fatigue
- Heart attacks

Fine particles can make these conditions **worse:**

- Cardiovascular and heart disease
- Asthma and COPD*



Ground -level ozone

pollution can cause:

- Difficulty breathing
- Shortness of breath
- Sore throat
- Wheezing, coughing
- Fatigue

Ozone can make these conditions **worse:**

- Asthma and COPD*
- Emphysema
- Chronic bronchitis

COPD* = chronic obstructive pulmonary disease



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Recent Plans, Studies, and Reports *(2021 Onward)*

- Portside Community Emissions Reduction Plan (July 2021)
- Port Maritime Clean Air Strategy (MCAS, October 2021)
 - Strategic Planning Document
- Port of San Diego (Port) Health Risk Assessment (July 2022)
- California Air Resources Board (CARB) Air Toxics Modeling and Risk Assessment for the Portside Community in San Diego, California (March 2023)
- APCD Regional Air Quality Strategy (March 2023)

What is an Indirect Source?

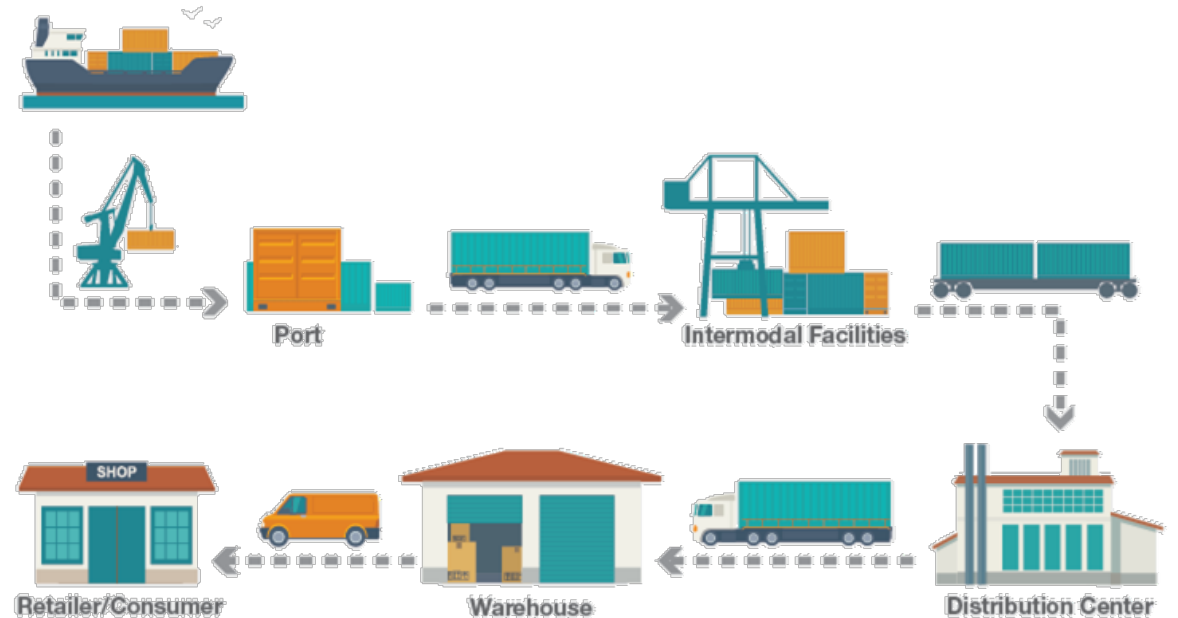
- **Assembly Bill 423 (Gloria)**

“Consider adopting an Indirect Source Rule (ISR) to address pollution from mobile sources that is associated with stationary sources, such as ports, warehouses, and distribution centers.”

- **Clean Air Act definition of an indirect source**

“...a facility, building, structure, installation, real property, road, or highway which attracts, or may attract, mobile sources of pollution.”

Example Pathway for How Goods Move From Production to Consumers



Source: LAO, <https://lao.ca.gov/Publications/Report/4618>

Tools to Reduce Emissions from Indirect Sources

Recent Examples of ISRs and MOUs



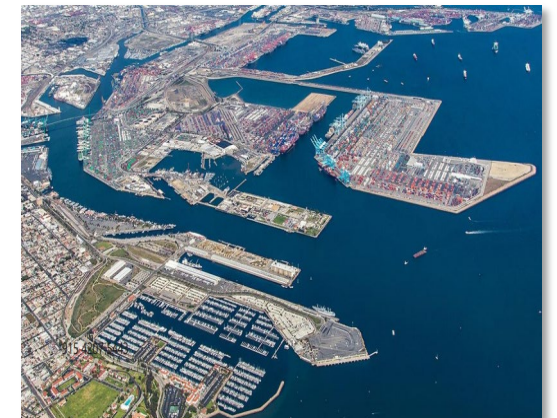
Adopted Warehouse
ISR in SCAQMD



Adopted MOUs with
Airports in SCAQMD



Proposed MOU with
Railyards in SCAQMD



Proposed ISR for
Ports of Los Angeles
and Long Beach

What is a Memorandum of Understanding?

- Non-regulatory, however includes enforceable terms between multiple parties.
- A contract between two or more agencies to collaborate and achieve mutual goals.
- Common elements of an MOU can include:
 - Articulation of common goals;
 - Description of actions each party must implement;
 - Procedures that govern how an MOU will be carried out;
 - Alternative pathways; and
 - Processes for remedies if actions are not completed.

MOU Considerations

- Efficient, timely, and effective pathways to tangible emission reductions
- Opportunity to maintain access to incentive funding and grant eligibility for Port and Port Tenants
- Flexible to support ZE Infrastructure
- APCD Track Record of Successfully Executed MOUs/MOAs (PAIR Program, Proposition 1B GMERP)

Both MOU or ISR

- Enforceable
- Applies to Port District
- Consistent with CARB statewide rules/emission control strategies
- Focused on highest criteria emissions sources

ISR Considerations

- Regulatory
- Complex Rulemaking Process
- Long Timelines
- Complexity of International / Federal Regulatory Approach

MOU Potential Concepts



Cargo Handling Equipment (CHE)



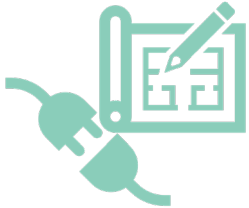
Ocean Going Vessels



Zero-Emission Truck Program



Port Fleet Zero Emission Transition



Infrastructure Planning



Public Participation and Transparency



Incentives and Grants



Maritime Industrial Impact Fund Concepts

Acknowledge Existing Actions

Goal: Account for investment in infrastructure and equipment by the Port, Port Tenants, and APCD since the adoption of the MCAS

Electric Mobile Harbor Cranes and Infrastructure	Tenant Investment in ZE CHE	NCMT Shore Power Phase 1	Free Ride Around National City (Electric Shuttle Funding Support)
Electric Tugboat	PAIR Program	Harbor Drive 2.0 Collaboration	TAMT Electrical Infrastructure Investment
METS4 Bonnet System	Cruise Ship Terminal Shore Power Phase 2	ZE Truck Outreach and RFP for ZE Truck Stop	Vessel Speed Reduction

Proposed Cargo Handling Equipment Concept

Goal: Increase turnover of diesel CHE to ZE CHE

Data Collection

Prioritized Replacements

Incentives / Adding Flexibility

Emissions Reduction Focused

Funding Set Asides for CHE and Infrastructure

Timeline Commitments Consistent with MCAS



Source: Orange EV

Proposed Infrastructure Concept

Goal: Facilitate the deployment of infrastructure to support the transition to ZE

Port to present summary planning and preliminary engineering reports

Port-APCD Joint Pursuit of Funding for Infrastructure (APCD AB 617 and/or others)

Funding Set Asides for Infrastructure

FOCUS AREAS

Tenth Avenue Marine Terminal

Phases 4-6 12kV Electrification Modernization, EVSE Infrastructure, and Integration of Distributed Energy Resources

National City Marine Terminal

Shore Power Phases 2 / 3, EVSE Infrastructure, and Integration of Distributed Energy Resources

Proposed ZE Truck Concepts

Goal: Improve air quality by facilitating the implementation of ZE/near ZE trucks consistent with MCAS

ZE Truck Pilot Project

Harbor Drive 2.0 Continued Collaboration with Lead Agencies

ZE Truck Incentive Program

Port Truck Registry



Source: Peterbilt

Proposed Funding and Outreach Concepts with APCD

Goal: Support emissions reduction opportunities

APCD to Administer Funding and Incentive Programs

APCD and Port to Identify and Support State and Federal Funding Opportunities

APCD and Port to Provide Letters of Support to Leverage External Funding Opportunities

APCD and Port to Collaborate on Outreach, Education, and Engagement Initiatives

Considerations for the Draft MOU

Feedback will be provided to the APCD and Port teams for consideration in ongoing collaboration and refinement of MOU Concepts to support the upcoming meetings.

Feedback and Discussion

- What specific elements do you think are important to include in a MOU?
- An MOU provides an opportunity to include actions that may not be possible in a regulation. Are there specific actions you think APCD and the Port could include in an Agreement?
- Of the concepts you heard about today, which ones resonate with you? Which ones need improvement?



Thank you



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10/19/2023