

Sustainable Freight Advisory Committee

Meeting Summary

- Date:** February 22nd 2017 | 11 am – 3 pm
- Location:** In-person at the Port's Harbor Administrative Building and via phone conference
- Attendees:** Attachment A
- Meeting Agenda:** Attachment B

Overview:

The February 2017 Sustainable Freight Advisory Committee (i.e. the Committee, or SFAC) meeting focused discussing the Committee's draft recommendations for elements of the Clean Air Action Plan (CAAP) Discussion Document. Two recommendations were approved including one on a proposed peel-off yard to improve overall system efficiency and the other on developing a committee between LADWP, the Port, and other city agencies to better plan for future electrification. Suggested revisions to other draft recommendations were made and are expected to be finalized at the March SFAC meeting. Future recommendation topics were discussed and expected to move towards approved recommendations at the March SFAC meeting.

Key Discussion Items (Action items in green)

- 1. Review and approve January meeting summary**
 - The Committee agreed to approve the minutes as is
 - ACTION ITEM: GNA to send the approved meeting summary to Mayor Eric Garcetti, via Matt Petersen, and Gene Seroka.**
 - ACTION ITEM: GNA to post meeting summary on website**
- 2. Update from POLA**
 - Gene Seroka encouraged the Committee to continue to work towards consensus during each meeting and for all recommendations.
 - Gene also gave an update that with the new shipping alliances ready to go into effect in April, there will be a lot of confusion internationally and the Port will need to be able to adapt and react as changes occur.
 - In addition, with the new federal administration's views on trade, infrastructure, and environmental issues, there is more of a need to continue collaborating with government agencies to ensure projects move forward.
- 3. System Efficiency – Harbor Performance Enhancement Center (HPEC) Recommendation**
 - The committee approved the recommendation (**see attachment C**)
- 4. POLA - LADWP Committee Recommendation**

- The committee discussed the potential issue of calling out “zero emission” in the recommendation for the risk that we don’t know what kinds of technology will be achievable in the next decade.
- The committee agreed to modify the language slightly.
- The committee approved the recommendation (**see attachment D**)

5. Clean Truck Program 2.0 Recommendation

- The Committee discussed that recommendation as written would not get the support of LMCs and BCOs and therefore edits to the language need to be made.
- There is still a lot of disagreement on the recommendation and without the ability to reach consensus, the recommendation was tabled for the next meeting.
 - **ACTION ITEM: GNA to work with Committee members to revise recommendation language and bring to the March meeting for approval.**

6. Cargo Handling Equipment Recommendation

- The Committee discussed whether or not a specific call for zero emission CHE equipment is feasible considering the current demonstration projects in the San Pedro ports.
- The Committee discussed the need for current demonstration projects to share information, data, results, etc. to continue to make progress and to not duplicate efforts.
- The Committee agreed to do a second meeting with a smaller group to come up with a language that the group can agree to.
 - **ACTION ITEM: GNA to schedule and facilitate a follow-up meeting before the March SFAC meeting.**

7. LED Light Replacement throughout the Port

- In a follow-up discussion to the LADWP committee recommendation—outside of the scheduled agenda—the Committee discussed how the Ports could transition to all LED lights to reduce energy costs, which could in turn free up money to fund other clean energy projects.
- Michael S. informed the Committee that LADWP has rebates on the cost to install LED lights.
 - **ACTION ITEM: GNA and Michael S. to work together on next steps.**

8. Update on Previous Recommendations

- ZE top handler
 - POLA won a CEC grant
 - POLB won as well
 - SCAQMD won as well for equipment that will be at a POLA terminal
- ZE trucks
 - No updates
- Clean Truck Program
 - No updates

9. Inland ports discussion

- The Committee discussed the pros and cons of inland ports and whether or not there is a net regional environmental benefit.

- The Committee discussed concern over a regional reduction in emissions but an increase of emissions in an inland community. Using BEVs and all zero emission equipment at an inland port could help reduce those emissions. It was also noted that BEVs could be a great fit to move cargo to and from warehouses given their current distance capabilities.
- The Committee discussed that the goal is putting more cargo on rail and off trucks to decrease emissions. However, moving cargo to an inland port may not achieve this goal. Instead, the Committee discussed how do we move more cargo to on-dock rail
- The Committee agreed that rather than making a recommendation on inland ports, a recommendation to study how the Ports can increase on-dock rail to 50%
- **ACTION ITEM: GNA to work with committee members to develop a draft recommendation for a future meeting.**

10. Rail / locomotives discussion

- The Committee discussed that the railroads could benefit from having more transparency and access to information that allows them to improve efficiency.
- Due to time constraints the Committee agreed to table this discussion until the next meeting.

11. Marine discussion

- Due to time constraints the Committee agreed to table this discussion until the next meeting.

Attachment A

Meeting Attendees

COMMITTEE MEMBERS

Michele Grubbs	Vice President, Pacific Merchant Shipping Association
Joe Lyou	President & CEO, Coalition for Clean Air & Governor's Appointee to the SCAQMD Governing Board
Nidia Erceg	Deputy Policy Director, Coalition for Clean Air
Adrian Martinez	Staff Attorney, Earthjustice
Cynthia Marvin (via phone conference)	Division Chief, California Air Resources Board
Matt Miyasato	Deputy Executive Officer, Science and Technology Advancement, SCAQMD
Peter Peyton	Former President, ILWU Marine Clerks Association of Los Angeles & Long Beach
Jonathan Rosenthal	Co-Portfolio Manager, Saybrook Capital
Elizabeth Warren	Executive Director, FuturePorts
Thomas Jelenic	Vice President, Pacific Merchant Shipping Association
James Jack (via phone conference)	Executive Director, Coalition for Responsible Transportation
Louis Dominguez	Chair of the Port and Environment Committee, Coastal San Pedro Neighborhood Council

CITY OF LOS ANGELES

Matt Petersen	Sustainability Officer, City of Los Angeles Mayor's Office Policy Analyst, Sustainability Office, City of Los Angeles Mayor's Office
Michael Samulon	

PORT OF LOS ANGELES & CONSULTANTS

Doane Liu	Port of Los Angeles
Chris Canon	Port of Los Angeles
Andrew Scott	Port of Los Angeles
Emily Yen	Port of Los Angeles
Erik Neandross	GNA
Patrick Couch	GNA
Alexis Wiley	GNA

Attachment B

Sustainable Freight Advisory Committee

February 22nd | 11 am – 3 pm

Meeting Agenda

1. Review and approve meeting summary from January meeting – 5 mins
2. Update from Gene – 10 mins
3. CTP 2.0 recommendation (review draft for approval) – 45 mins
4. CHE develop draft recommendation – 45 mins
5. POLA/LADWP committee recommendation (review draft for approval) – 15 mins
6. HPEC recommendation (review draft for approval) – 5 mins
7. Update on previous recommendations – 5 mins
 - a. ZE top handlers
 - b. ZE trucks
 - c. Clean Trucks Program
8. Marine discussion and develop a draft recommendation – 30 mins
9. Rail / locomotives discussion and develop a draft recommendation – 30 mins
10. Inland ports discussion and develop a draft recommendation – 30 mins
11. Agenda planning for March meeting (Wednesday, March 29th) – 5 mins
 - a. CTA discussion on CTP
 - b. LADWP presentation on electrification infrastructure

Attachment C

System Efficiency – Harbor Performance Enhancement Center (HPEC) Recommendation:

The SFAC recognizes that congestion and inefficiencies in the supply chain result in added costs and emissions. The elimination of this “friction” in the system can improve the operational and environmental performance of the goods movement system and provide benefits to all stakeholders. Therefore, the SFAC recommends to the Mayor and the Port of Los Angeles to continue to prioritize and advance projects that improve the efficiency and overall performance of the ports and the freight system.

One such project that has been proposed is the Harbor Performance Enhancement Center (HPEC). HPEC is effectively a “peel off yard” located in the Port of Los Angeles that will provide an outlet to relieve congestion on the docks in both ports. The project will increase efficiency and therefore reduce costs and emissions within the system. As the HPEC facility will be on Port of Los Angeles property, it will be subject to the provisions of the Clean Air Action Plan and Clean Truck Program, when adopted. This will help to ensure that the lowest emission equipment and fuels are being utilized at the facility.

The HPEC project will require significant public infrastructure improvements which will benefit the entire San Pedro Bay Port complex, and thus the national supply chain. HPEC will also include an educational component at an on-site facility that will be used as a laboratory to facilitate learning, collaboration and the pursuit of new innovative ideas among the world’s leading stakeholders in the goods movement industry, academia, and other related organizations. The facility will showcase and foster economic and environmental innovation within the supply chain.

Given the national significance of the Southern California Port Gateway, the SFAC recommends that the Mayor and the Port of Los Angeles work with officials at the local, state and federal levels to advance the development and implementation of the HPEC project. Additionally, the SFAC recommends that the Mayor and Port of Los Angeles explore and facilitate, as appropriate, the use of a public-private-partnership (PPP) model in order to maximize both private and public sector cooperation, support and investment in the project.

As part of the development of this project, the Mayor and Port of Los Angeles should ensure that the proposed project analysis demonstrates tangible environmental improvement and net environmental health benefits to the adjacent communities via increased efficiency and the use of zero emission and renewable energy technology. As peel off yards have the potential to add to the number of “touches” required to handle a container, there is the opportunity to increase emissions if such touches are with traditional diesel-powered container handling equipment. Therefore, the SFAC recommends that zero and near-zero emission technologies – such as battery electric trucks, solar panels, and others – be utilized to the greatest extent possible. Ultimately, any assessment of the benefits of the HPEC must consider both the operational changes and the project’s use low emission technologies to mitigate any impacts from additional touches.

The SFAC also strongly supports and recommends that the educational component of the HPEC project be aggressively pursued as part of this development effort in order to attract global thought leaders to Los Angeles and the Southern California goods movement industry.

Attachment D

POLA - LADWP Committee Recommendation:

The SFAC recommends to the Mayor and the Port of Los Angeles to convene a task force consisting of the Executive Director of the Port of Los Angeles, the General Manager of LADWP, and other appropriate staff from each agency, and other city agencies (e.g., LAWA), to identify the infrastructure necessary to support the widespread electrification of the goods movement activities in and around the Port of Los Angeles.

California recently passed Senate Bill 350, which set forth a goal of "widespread transportation electrification." In addition, the City of Los Angeles' Sustainability pLAn envisions dramatically expanding transportation electrification at the Port of Los Angeles. There needs to be significant coordination between the Los Angeles Harbor Department and the Los Angeles Department of Water and Power to improve reliability and ensure sufficient infrastructure is provided to power this transformation.

Within 180 days of its first meeting, this task force should publish a preliminary report that identifies the need, opportunity, cost, timelines and process by which such infrastructure can be developed. This report should be updated annually, and should also articulate to LADWP customers the benefits of moving to zero emission technologies in the freight sector and develop a plan on how to integrate onsite and offsite renewable power generation and energy storage into this infrastructure to seek truly zero emissions and make the Port more resilient.