



Sustainable Supply Chain Advisory Committee

Meeting Summary

Date: October 25th 2017 | 11:00 am – 3:00 pm PDT

Location: In-person at the Port's Harbor Administrative Building and via phone conference

Attendees: Attachment A

Meeting Agenda: Attachment B

Overview:

The August 2017 Sustainable Freight Advisory Committee (i.e. the Committee, or SFAC) meeting focused on the revising the on-dock rail recommendation and developing a new recommendation to advocate for funding to be allocated for emission reducing projects at the Port.

Key Discussion Items *(Action items in green)*

1. Opening Remarks by POLA Harbor Commissioner David Arian

- Before the meeting began, Commissioner Arian provided opening remarks to thank the committee for their work during the first year and urged the committee to continue collaborating to achieve clean air goals. He stressed collaboration and a continued focus on technology and funding.

2. Introduction by Lauren Faber, City of LA Chief Sustainability Officer

- Lauren provided a short self-introduction. She remarked that the SFAC has been one of the Mayor's hallmark efforts and that the committee has had a remarkable level of collaboration and is looking forward to the committee continuing their great work.

3. Remarks by Gene Seroka

- Gene discussed the Port's recently releases emissions inventory that shows significant reductions while cargo volumes have increased
- Gene also discussed how the committee has successfully balanced industry, community and environmental stewardship.
- Gene led a discussion amongst the group on the continuation of the SFAC effort, albeit with a new name and a focus on, 1) technology advancement, 2) funding and incentives for such technology, and 3) the concept of the ports being a potential "market maker" to help



facilitate technology development and implementation. Partnering with the Port of Long Beach was also discussed by the group.

4. CAAP Update and Timeline

- Chris Cannon provided an update on the CAAP timeline
 - Public comment period will continue through September 18th
 - Workshop and public meeting on August 30th
 - The joint Ports have met with more than 60 stakeholders since the release of the Draft CAAP Discussion Document and are continuing to meet with additional groups
 - There remains considerable debate on the timeline and steps to move to zero emission technology and the role of near-zero emission technologies.
- The Committee discussed the current zero emission technologies and feasible goals to deploy such technologies while considering technology availability, costs and operational feasibility. In developing the final CAAP, the Committee discussed and urged the Port to balance such considerations with ensuring that the Port remains competitive on a global scale.

5. CAAP Implementation Advisory Group

- There was broad discussion amongst the Committee on the Implementation Advisory Group, how it should be form and who its members should be, its role and responsibilities, reporting structure, and related issues. It was recommended that the SCAQMD AQMP Working Group be considered as a model. There was general consensus that the Implementation Advisory Group is meant to discuss the “how to” implement CAAP strategies rather than recommending specific technologies, projects and/or policies, such as been the focus of the SFAC to date.
- In the course of the discussion, the Committee discussed the available funding mechanisms to offset the cost for cleaner technology deployments, as is the overall goal of the CAAP, and the need for the Port and City to work together to advocate for a carve out of funding from the State to be dedicated to port emission reducing projects. There was general consensus that funding is a priority and we can't wait until the October SFAC meeting to discuss this again.
- **Action Item:** GNA to draft a recommendation to be approved by the SFAC by email prior to the end of the current legislative season, if possible. GNA to also research other non-grant funding opportunities (e.g., Edison / DWP incentives, etc.) to drive investment.

6. On-dock rail discussion

- The Committee reviewed the current state of the on-dock rail recommendation that was last edited during the June committee meeting.



- LaDonna DiCamillo with BNSF participated in the meeting to provide perspective from one of the major railroads.
 - LaDonna said that the railroads are committed to lower emissions but that moving 100% of their operations in Southern California to Tier 4 emission standards is very difficult to achieve right now.
- It was noted by the Committee that there are approximately 200 to 300 Tier 4 locomotives in the United States among all railroads, and that there is currently only one producer of this technology. While it is required that all new locomotive purchases be Tier 4, the railroads are buying very few locomotives these days due to business conditions.
- After good discussion among the group, it was recommended to modify the existing recommendation by focusing the increased use of cleaner locomotives, improving overall efficiencies at the ports and the role that rail can play here, and on increasing on-dock rail capacity.
- **Action Item: GNA to make edits to the recommendation based on the feedback received during the meeting and to circulate prior to next committee meeting for further review and potential approval.**

7. Discussion on Next Steps & Funding for Previous Recommendations

- Zero Emission Top Handler Recommendation
 - The units are expected to be delivered by end of 2018.
 - The committee discussed who the technology providers in the space are and whether there is room for more players to improve production times.
- Zero Emission Drayage Trucks Recommendation
 - The Committee discussed what the best path forward is to ensure the 100 BET demo project continues to move forward. It was requested that GNA assist to further identify project partners and budget/scope issues to try to advance the effort in advance of the next SFAC meeting.
 - It was noted that a new funding program may soon be available that could help with this project; it calls for incentives to be allocated for disadvantaged communities. It was also mentioned that the current Cap & Trade negotiations in Sacramento may provide a good opportunity for project funding.
 - The Committee recommended that hydrogen fuel cell also be considered when discussing zero emission truck technology.
 - **Action Item: GNA to identify and reach out to possible project partners to confirm interest in the project concept, and to try to identify more detailed project scope and budget issues.**
- Clean Trucks Program Recommendation



- The Port provided an update on the current state of the CTP and ongoing discussions related to the role of fees and risks of cargo diversion.
- POLA-LADWP Committee Recommendation
 - Port and City of LA staff provided an update that the two organizations have met 3 times and are currently working on a report to that identifies the anticipated power needs for future electrification at the Port. It was noted that a central hub of electric truck charging in the Port area was not being recommended, but that a sensitivity analysis was also requested in order to analyze such an option.
 - Action Item: Port staff to provide an update at the October meeting on the assumptions being used and status of the report on anticipated power needs for future electrification.
- Harbor Performance Enhancement Center (HPEC) Recommendation
 - Pilot program to be up for approval at next Harbor Commission meeting
- Multi-Port Clean Tech RFI
 - The City is beginning to reach out to western seaports for this initiative. The idea is to coordinate and leverage the purchasing power of multiple ports and port tenants in order to harness these ports' collective ability to act as a "market maker" for zero emission technology.
- LED Light Conversion Recommendation
 - The Port will provide 100% of the upfront funding for tenants to transition to all LEDs and then the tenants will pay back incrementally.
 - The Port is meeting with tenants to begin scoping out projects. One of the first tenants the Port met with ultimately decided to pursue the rebates from DWP on their own rather than working through the Port.



Attachment A

Meeting Attendees

COMMITTEE MEMBERS

Adrian Martinez
James Jack
Joe Lyou
Cynthia Marvin (via phone conference)
Elizabeth Warren (via phone conference)
Zorick Pervesian
Michele Grubbs (via phone conference)
Louis Dominguez
Jonathan Rosenthal

EarthJustice
Coalition for Responsible Transportation
Coalition for Clean Air
California Air Resources Board
FuturePorts
South Coast Air Quality Management District
Pacific Merchant Shipping Association
Coastal San Pedro Neighborhood Council
Saybrook Capital

POLA & CONSULTANTS

Tony Gioello
Chris Cannon
Erick Martell
Michael Di Bernardo
Janice Sidley
Michael Samulon
David Reich
Erik Neandross
Alexis Wiley
Patrick Couch (via phone conference)

Port of Los Angeles
Port of Los Angeles
Port of Los Angeles
Port of Los Angeles
City Attorney's Office
City of Los Angeles, Mayor's Office
City of Los Angeles, Mayor's Office
GNA
GNA
GNA



Attachment B

Meeting Agenda

1. POLA Remarks
2. 2017 CAAP update discussion
3. Discussion on next steps & funding for previous recommendations
 - a. Zero Emission Top Handler Recommendation
 - b. Zero Emission Drayage Trucks Recommendation
 - c. Clean Trucks Program Recommendation
 - d. POLA-LADWP Committee Recommendation
 - e. Harbor Performance Enhancement Center (HPEC) Recommendation
 - f. Multi-Port Clean Tech RFI
 - g. LED Light Conversion Recommendation
 - h. Cargo Handling Equipment Recommendation
 - i. Clean Trucks Program Recommendation 2.0
4. Lunch
5. Review revised recommendation for increasing on-dock rail capacity to 50%
6. Review summary of engine and truck OEM roundtable and discussion on next steps
7. Conclusion & discussion of next steps