



PORT OF OAKLAND

December 2, 2019

CARB Governing Board

Submitted Via Electronic Comment Log

Subject: Port of Oakland Comments on CARB Staff Report on West Oakland Community Action Plan

To Whom it May Concern:

The Port of Oakland (“Port”) appreciates the opportunity to provide comments on the California Air Resources Board (“CARB”) Staff Report on the West Oakland Community Action Plan (“WOCAP”). The Port played an important role throughout the WOCAP process and is proud to be part of the West Oakland community. The Port’s many employees, as well as the employees of its tenants and businesses who work (and many live) in the West Oakland community, have a stake in both breathing clean air and good paying jobs.

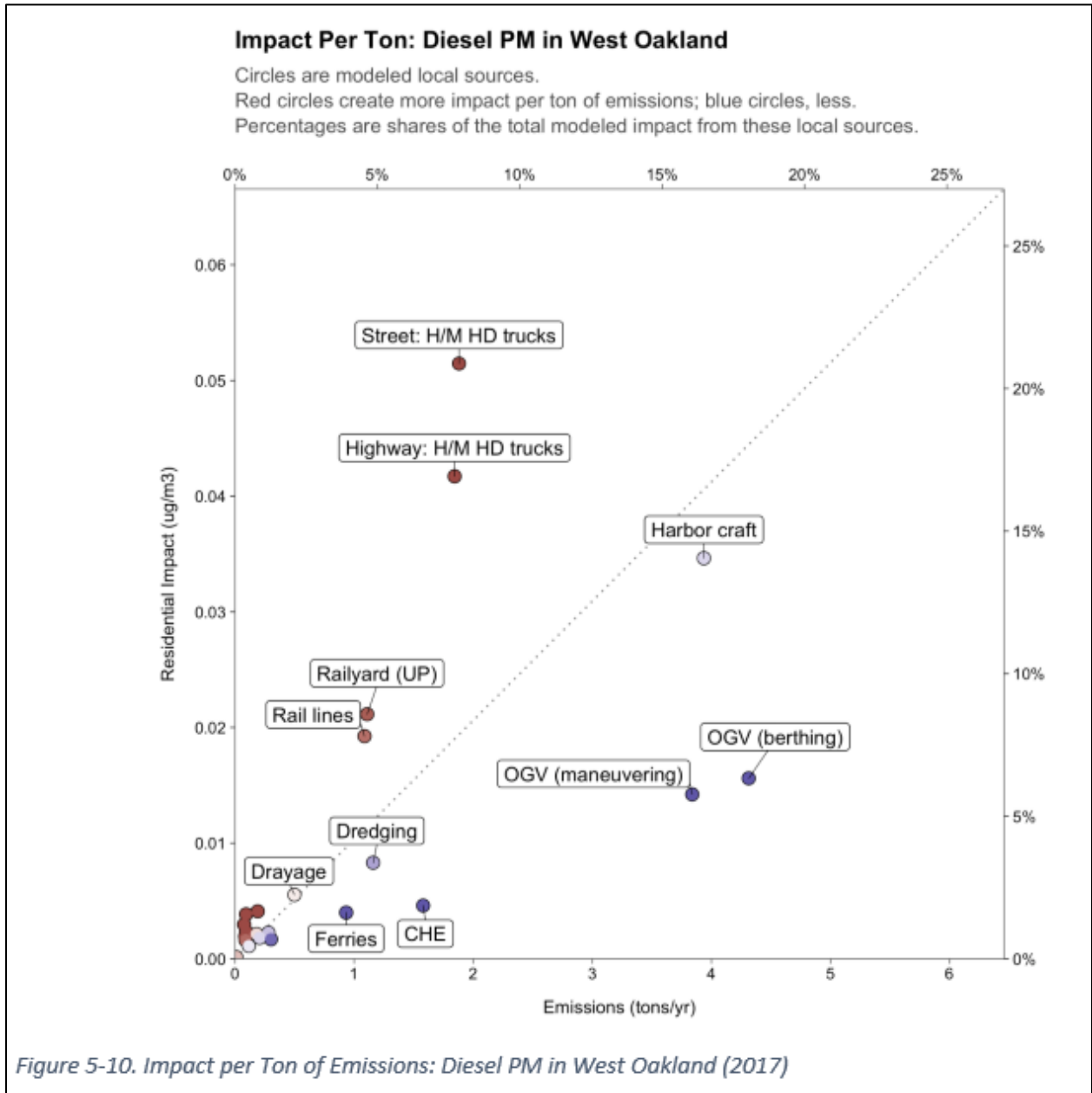
The Port is committed to continued participation in the WOCAP and its implementation. As a starting point, and as part of the Port’s *Seaport Air Quality 2020 and Beyond Plan*, the Port has already included the WOCAP strategies assigned to the Port in the set of measures that the Port will screen and evaluate for implementation.

In this letter, the Port offers comments on the CARB Staff Report dated November 14, 2019, for the CARB Governing Board Hearing on December 5, 2019.

The Port Agrees on the Need to Prioritize WOCAP Strategies (CARB Staff Recommendation #1) and the Need to Quantify Emission Reductions for Each Strategy (CARB Staff Recommendation #7)

The chief goal of the WOCAP is to reduce health risk to West Oakland residents. The Port agrees with CARB staff’s suggestion that the WOCAP should prioritize its 89 strategies. The Port believes that the priorities should be based on the projects that will have the most impact. Figure 5-10 of the WOCAP shows which of the modeled sources¹ have the highest impact.

¹ As discussed below, certain large sources, such as construction, were not modeled so their impact is unknown.



Non-Port trucks on the streets and highways have the largest impact of any source. The next biggest impact is harbor craft, followed by rail lines. These are the sources that deserve the most attention.

The Port agrees with CARB Staff’s Recommendation #7, that it would be very helpful if the Bay Area Air Quality Management District (“BAAQMD”) could provide a list of WOCAP Strategies along with the emission and exposure reductions estimated for each. It appears that only four Strategies out of the 89 WOCAP Strategies were included in the “With Plan” modeling for 2024: CARB’s Advanced Clean Truck Rule and Heavy-Duty Inspection and Maintenance Rule (Strategy #29), CARB’s Proposed At-Berth Regulation (Strategy #60), BAAQMD’s three tug repowers (Strategy #50), and the Plan’s five switcher upgrades (Strategy #51). Although

BAAQMD provided emission and exposure reductions estimates for these four Strategies, the same information is needed for the remaining 85 Strategies. The Port would especially like to understand the emission reductions associated with the Strategies which have the Port listed as the authority.

The Port Encourages Incentive Funding (CARB Staff Recommendation #4)

Many of the WOCAP Strategies are to use and improve incentives for equipment and infrastructure. The Port applauds these Strategies and will continue to encourage Port tenants and related business to apply for available funding through Trucker Work Group announcements, Environmental Office Hours, and individual outreach.

Port staff encourage BAAQMD to streamline and simplify the funding application process. A streamlined application process will assist small fleet owners who may not have resources to dedicate to the grant application process. Two examples of streamlined and simplified funding programs are the Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (“HVIP”) and Clean Off-Road Equipment Voucher Incentive Project (“CORE”) programs administered by CARB. HVIP and CORE do not require difficult applications or up-front payment for new equipment with delayed reimbursement, which is a burden on the applicant. Additionally, neither program requires the owner to scrap an existing piece of equipment, which may have significant resale value.

The Port Does Not Support an Indirect Source Rule or any other regulation of “magnet sources” (CARB Staff Recommendation #5)

As an enterprise department of the City of Oakland, the Port of Oakland supports a significant portion of the region’s job base by facilitating the operations of commerce. The Port does not collect tax revenues, but instead must generate revenue to continue operations.

- The Port and its partners provide 84,144 jobs in the Bay Area.
- The Port’s overall economic value is estimated at \$130 billion.
- About 20% of the jobs created through the Port are based in Oakland.
- The Port and its tenants contribute about \$698 million per year in state and local taxes.²
- Each marine terminal at the Port employs union labor.

The Port of Oakland is largely a “discretionary port” – meaning cargo and commerce could go to other ports if the regulatory environment is overly burdensome and expensive compared to competitor ports. The Port competes with other U.S. and Canadian ports for cargo. West Coast ports have been steadily losing market share to East Coast ports since the widened Panama Canal opened. Maintaining the successful business at the Port of Oakland is essential to support the economy of the Bay Area and provide tens of thousands of local jobs.

While the Port is committed to achieving zero emissions, the clean air regulatory strategies cannot put the Port of Oakland at a competitive disadvantage to other ports, which will draw

² <https://www.portofoakland.com/economic-impact-report/jobs-study-port-oakland-generates-84000-jobs-bay-area/>

commerce and jobs away from the Bay Area region. The Port is already highly regulated. It is also highly compliant as highlighted in the WOCAP Appendix E, which shows zero stationary source violations from Port tenants and a compliance rate of over 99% for truck emissions inspections.

In addition to being highly regulated and compliant, the Port is improving its efficiency with a host of new projects planned and underway, including new transloading facilities in the Port area, the 7th Street realignment and grade separation projects to improve truck and rail efficiency, and the \$30.6M Freight Intelligent Transportation System which is currently in construction.

California ports use some of the cleanest equipment available and are held to very strict standards relative to their domestic and international competitors. No other state regulates the goods movement industry as aggressively and separately from other sectors as California does. CARB has historically held the goods movement industry to higher standards than other sectors.

- All container lift and horizontal transport equipment is regulated to Tier 4 off-road engine standards by CARB via the Mobile Cargo-Handling Equipment at Ports and Intermodal Rail Yards Regulation for California seaports.
- Drayage trucks serving the Port are all newer than 2007 and use diesel particulate filters. With appointment systems for truckers, the Port has reduced queue and idle times at terminal gates.
- By the end of 2022, every truck serving the Port will have model year 2010 or newer engines pursuant to the CARB Drayage Truck Regulation. Trucks newer than 2010 have selective catalytic reduction for NOx control.
- The Port runs a successful shore power program which it achieved in a very short time frame after an approximately \$55 million investment. The plug-in rates at the Port of Oakland continue to increase. For example, in October 2019, 100% of vessels that were equipped with shore power plugged in and 83% of all vessel calls plugged in. This was the third time in 2019 and the second consecutive month where shore power plug-in rates were above 80%. For 2019, the year-to-date average, including October 2019, was 76%.

An Indirect Source Rule or any similar regulation of “magnet sources” would be a growth-punishing measure that would threaten the success of the Port and its workforce, who operate in an industry already held to higher standards than other industries. Any investments that Port tenants and operators make in Oakland hinge on overall business considerations, including regulatory uncertainty and growth potential. Limiting growth will reduce clean technology investment in the Bay Area. Moreover, losing Bay Area imports or exports to Southern California ports or Asian import trade to U.S. East Coast ports has real environmental impacts due to increased truck miles and longer ship transits. For these reasons, the Port does not support an Indirect Source or Magnet Source Rule.

The Port Agrees All Emissions Sources Should Be Modeled (CARB Staff Recommendation #10)

The Port agrees strongly that the community-scale air quality model should include all emissions sources present in West Oakland. As shown in Figure 5-4 of the WOCAP, 34% of the PM_{2.5}, 15% of the DPM, and 17% of the cancer risk were not included in the model. Table 5-2 of the WOCAP shows that major sources such as construction equipment, commercial/industrial equipment, and commercial cooking were not modeled because of complexity and time constraints. The non-modeled sources are significant. They account for more than double the cancer risk weighted toxic air contaminants (“TACs”) as rail sources, for example. Construction activity alone is almost as large a source of cancer risk weighted TACs as tug or ship maneuvering and the activity occurs directly in the community.

The Port understands the difficulty of the modeling task and appreciates all the hard work that went into the initial effort, but as a next step these sources must be included. This is important, because leaving these sources out skews the results towards the sources that were included and does not paint an accurate picture of the sources of health risk in West Oakland. Everyone benefits from having the most accurate results possible.

An Unrealistic 5% Port Volume Growth Projection Undermines the Validity of the WOCAP Analysis

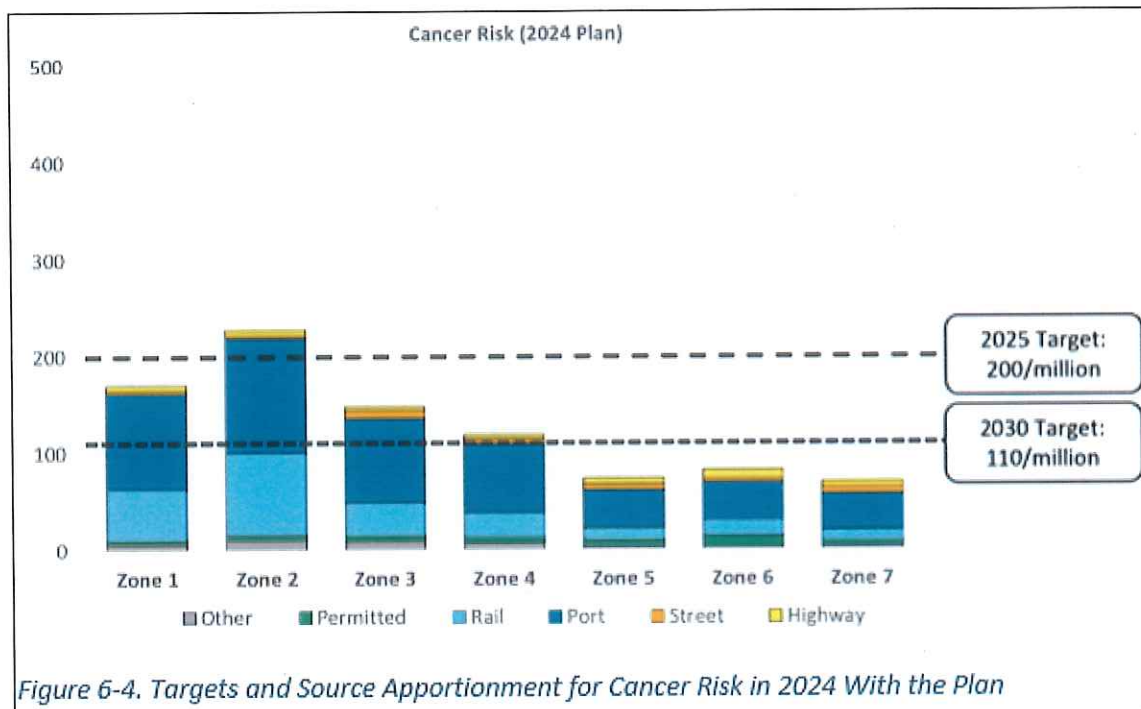
The Port believes that the WOCAP strategies should be based on the most accurate projections of emission source volume based on historical trends and credible projections. One of the Port’s main concerns with the WOCAP is that its projection of ship emissions is based on an unrealistic 5% compounded annual growth rate (“CAGR”) for cargo, despite historical growth trends that are significantly lower and Port-specific studies that contradict this growth projection. This growth rate, developed by CARB, is misleading for forecasting emissions. It is particularly important that the 5% CAGR not be applied to vessel and tug activity. The trend over the past eight years is for *decreasing* ship calls, due to shipping lines forming alliances and moving more cargo on fewer, larger vessels.³

The Bay Conservation and Development Commission (“BCDC”) prepared a port- and region-specific cargo forecast for the Bay Area. The Port requests that the WOCAP rely on the BCDC analysis and use a 2.2% CAGR for cargo growth instead of 5%. For reference, the Port’s historical compounded annual growth rate from fiscal year 2008 to fiscal year 2018 was **0.4%**.⁴ For ship emissions, the Port projects a 0% growth rate, which would be conservative because ship calls are actually decreasing.

The Port would like to see the modeling results updated with a more accurate growth forecast. For example, what would Figure 6-4 of the WOCAP look like if Port cargo growth were modeled at 2.2% CAGR instead of 5% and if ship calls were decreasing over time as has been the trend since 2011?

³ A more detailed discussion about growth rate is included in the Port’s 9/6/19 comment letter on the Draft EIR for the WOCAP, included as Attachment 1 to this letter.

⁴ From Budget and Finance report at May 23, 2019 Port Board Meeting (File ID 098-19), slide 6.



Closing

Thank you for the opportunity to comment on the CARB Staff Report on the WOCAP. My staff and I look forward to continuing to strengthen our efforts with CARB; BAAQMD and West Oakland Environmental Indicators Project to implement the WOCAP and improve air quality in West Oakland.

Please contact Ms. Tracy Fidell, P.E., Port Associate Environmental Planner/Scientist at tfidell@portoakland.com with any follow-up questions.

Sincerely,

Richard Sinkoff
 Director of Environmental Programs and Planning

CC: Danny Wan, Executive Director
 Michele Heffes, Acting Port Attorney
 Amy Tharpe, Director of Social Responsibility
 Laura Arreola, Community Relations Representative
 Diane Heinze, Environmental Assessment Supervisor

Enclosure: September 6, 2019, Port comment letter to BAAQMD on the WOCAP
 September 6, 2019, Port comment letter to BAAQMD on the WOCAP Draft Environmental Impact Report



September 6, 2019

Alison Kirk
Principal Environmental Planner
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akirk@BAAQMD.gov

via email

Subject: Port of Oakland Comments on the Draft West Oakland Community Action Plan

Dear Ms. Kirk:

The Port of Oakland (Port) appreciates the opportunity to provide comments on the July 2019 Draft West Oakland Community Action Plan (WOCAP) developed jointly by the Bay Area Air Quality Management District (BAAQMD) and the West Oakland Environmental Indicators Project (WOEIP). The Port played an important role throughout the WOCAP process and is proud to be part of the West Oakland community. As I stated during my presentation at the August 17 Town Hall, the Port consists of many employees, tenants, businesses and their workers who work (and many who live) in the West Oakland community and who have their stake in breathing clean air as well as working good paying jobs. In this letter, I offer the Port's commitment to continued participation in the WOCAP and its implementation. As a starting point and as part of the Port's *Seaport Air Quality 2020 and Beyond Plan* (2020 and Beyond Plan), the Port has already included the WOCAP strategies assigned to the Port in the set of measures that the Port will screen and evaluate for achievable implementation. In this letter and also in the attached "Comments on the Draft Environmental Impact Report (DEIR) for the West Oakland Community Action Plan," the Port also offers comments that we believe are considerations for achieving the desired air quality results while permitting the continued vitality of a working port and important jobs center for the region.

The Port's Commitment to Action

Port staff have served consistently on the AB 617 Steering Committee since the July 27, 2018, kick-off meeting at City Hall, where Board of Port Commissioners (Port Board) President Cestra Butner provided opening statements and Port Environmental Supervisor Diane Heinze described the Port's Draft 2020 and Beyond Plan. The Port's former Executive Director, Chris Lytle, was a panelist at the June 5, 2019 Steering Committee meeting on the topic of agency commitment. I and Port Board Commissioner Leslie both attended the August 17, 2019 Town Hall, where I spoke on a panel on behalf of the Port.

The Strategies in the WOCAP which have the Port listed as the authority were included in the pool of Suggested Actions for the Port to screen and evaluate for possible future inclusion in the Port's update to the Near-Term Action Plan. The screening process uses the criteria established in the 2020 and Beyond Plan (Table D-1) and is already under way. Results will be provided by the next Task Force meeting in January 2020.

The Port's History of Clean Air Progress

The Port shares the goals of BAAQMD and WOEIP to clean the air and reduce negative health impacts on its workers and neighbors. As you know, the Board of Port Commissioners first officially formalized its commitment to clean air by approving 10 years ago the Port's *Maritime Air Quality Improvement Plan* (MAQIP). The MAQIP was developed by working with community leaders and stakeholders many of whom are now leading the WOCAP process. The MAQIP identified a series of initiatives to improve air quality and set a target to reduce diesel particulate matter (DPM) emissions 85% over 2005 levels by 2020. The Port has since implemented the MAQIP resulting in a significant, measurable decrease in emissions from Port operations. The 2017 Seaport Emissions Inventory shows that the Port has achieved an over 80% reduction in DPM emissions between 2005 and 2017, despite a 6% growth in cargo volume over the same twelve-year period (0.5% annual growth). The Port invested in environmental programs designed to reduce emissions by using the cleanest diesel engines available, using shore power for ocean-going vessels, and reaching out to truck and equipment owners regarding incentives.

Recognizing that the Port needed to update and take its commitment to clean air to the current best practices and standards, the Port initiated a successor to the MAQIP that is the 2020 and Beyond Plan. The process of developing the 2020 and Beyond Plan involved extensive stakeholder engagement, including participation by BAAQMD and the WOEIP as co-chairs of the Task Force. The 2020 and Beyond Plan establishes the Port's long-term vision of a zero-emissions seaport and provides a framework for making future decisions on the Port's clean air projects in consultation with the community. The 2020 and Beyond Plan was approved by the Board on June 13, 2019, through Resolution 19-41.

As part of Resolution 19-41, the Port Board directed Port staff to take six additional actions over the next 18 months. Port staff will make three presentations to the Port Board on: zero-emission truck feasibility, zero-emission cargo handling equipment feasibility, and the capacity of the Port's electrical system. These reports are coming in late Fall 2019. Additionally, Port staff will conduct a 2019 seaport air emissions inventory, report to the Port Board on WOCAP Strategies to include in its update to the 2020 and Beyond Plan, and report on financing aspects of the 2020 and Beyond Plan.

As well, recognizing that the impact of Port operations on the West Oakland community are directly linked to truck traffic in and around the Port, the Port and the City prepared a West Oakland Truck Management Plan (TMP) through a joint planning and plan development effort. This included substantial input from the West Oakland residential and business communities. The Port's Executive Director approved the TMP on April 29, 2019. The TMP will improve safety for people walking, biking, and driving in West Oakland; reduce the nuisance of trucks driving or

parking where they should not; and improve the quality of life for people living and working in West Oakland, including a reduction in local diesel emissions.

The Port is committed to implementing the 2020 and Beyond Plan and TMP. In fact, the Port and City have already held three separate kick-off meetings for the three TMP strategies identified for first year implementation: routing, signage, and parking. The Port has also already begun screening over 200 Suggested Actions (including WOCAP Strategies) for new clean air projects under the 2020 and Beyond Plan.

The Port's Current Actions Towards Zero Emissions

In addition to the initiatives discussed above, the Port is participating in multiple grant efforts and pilot projects to help reduce emissions and commercialize electric trucks. For instance, the Port helped one of its tenants win a grant to convert 13 pieces of cargo handling equipment from diesel to hybrid electric. This project is well underway with nearly half the fleet already converted and in service. The Port is also currently designing and constructing ten electric charging stations for zero-emissions battery-electric trucks at tenant Shippers Transport Express. The charging stations are being paid for by the Port and will cost between \$1.25M and \$2M. The Peterbilt trucks are being funded through a Zero- and Near-Zero Emissions Freight Facilities (ZANZEFF) grant from the California Air Resources Board (CARB). Another Port tenant, GSC Logistics, has received two BYD battery-electric trucks as part of a demonstration project funded by CARB through the South Coast Air Quality Management District and BAAQMD. The Port expects nine more BYD trucks to be placed with its tenants and is actively helping process permit applications for charging stations.

Lastly, another Port initiative that started in August 2018 is hosting weekly Environmental Office Hours. BAAQMD staff are always invited to attend these office hours, which Port staff find to be a rewarding and productive way to connect with drivers, hear their concerns, and advertise the technologies and funding available for clean trucks and equipment. Port staff request that BAAQMD provide promotional materials for grants in the following languages to help communicate with truck drivers: Spanish, Punjabi, Simple Chinese, and Vietnamese.

Overall Comments on WOCAP

I took to heart comments by West Oakland residents at the August 17 Town Hall that plans need to be enforceable and feasible so that implementation actually happen in the context a major transportation corridor and a working port. The Port's 2020 and Beyond Plan is a commitment to vigorously pursue all feasible means to achieve zero emissions while preserving and growing the commercial and work opportunities at the Port of Oakland. Towards these same goals for the WOCAP, the Port makes the following overall comments and suggestions, along with more specific comments on the DEIR concurrently submitted to you by our Director of Environmental Programs and Planning, Richard Sinkoff.

Targeting Emissions Closest and Most Impactful to People Is the Most Effective Health Risk Reduction Strategy

The chief goal of the WOCAP is to reduce health risk to West Oakland residents. The Port believes the most effective strategies to reduce health risk to residents are the ones that focus on important sources with the closest proximity and highest impact on current and future residents. Therefore, Figure 5-10 of the WOCAP shows that non-Port trucks on the streets and highways have the largest impact of any source. The next biggest impact is harbor craft, followed closely by rail lines. One of the Port's chief focus is strategies and measure to reduce harbor craft emissions. The Port is also encouraging rail operators to take action. These are the sources that deserve the most attention. A related focus should be keeping housing away from heavy industrial uses. This is a land use strategy that would prevent more people from being exposed to the worst sources.

The Port Encourages WOCAP Incentive Strategies

Many of the BAAQMD's WOCAP Strategies are to use and improve incentives for equipment and infrastructure. The Port applauds these Strategies and will continue to encourage Port tenants and related business to apply for available funding through Trucker Work Group announcements, Environmental Office Hours, and individual outreach.

Port staff encourage BAAQMD to streamline and simplify the funding application process. Two examples of streamlined and simplified funding programs are the Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (HVIP) and Clean Off-Road Equipment Voucher Incentive Project (CORE) programs administered by CARB. HVIP and CORE do not require difficult applications or up-front payment for new equipment with delayed reimbursement, which is a burden on the applicant. Additionally, neither program requires the owner to scrap an existing piece of equipment, which may have significant resale value.

An Unrealistic 5% Port Volume Growth Projection Undermines Validity of Many WOCAP Strategies

The Port believes that the WOCAP strategies should be based on the most accurate projections of emission source volume based on historical trends and credible projections. One of the Port's main concerns with the WOCAP is that its projection of ship emissions is based on an unrealistic 5% compounded annual growth rate (CAGR) for cargo despite historical growth trends that are significantly lower and Port of Oakland-specific studies that contradict this level of growth projection.. This growth rate, developed by CARB, is misleading for forecasting emissions. It is particularly important that the 5% CAGR not be applied to vessel and tug activity. The trend over the past eight years is for *decreasing* ship calls, due to shipping lines forming alliances and moving more cargo on fewer, larger vessels.¹

¹ A more detailed discussion about growth rate is included in the Port's 9/6/19 comment letter on the Draft EIR for the WOCAP, included as Attachment 1 to this letter.

The Port's comments on the DEIR goes into details on more valid growth projections. As an example here, the Bay Conservation and Development Commission (BCDC) prepared a port- and region-specific cargo forecast for the Bay Area. The Port requests that the WOCAP rely on the BCDC analysis and use a 2.2% CAGR for cargo growth instead of 5%. For reference, the Port's historical compounded annual growth rate from fiscal year 2008 to fiscal year 2018 was **0.4%**.² For ship emissions, the Port projects a 0% growth rate, which would be conservative because ship calls are actually decreasing.

As an alternative, the WOCAP could include both the CARB and BCDC growth forecasts, as is commonly done, to bound the future emission estimates.

An Indirect Source Rule is Not Consistent with Feasible Implementation Strategies

As an enterprise department of the City of Oakland, the Port of Oakland supports a significant portion of the region's job base by facilitating the operations of commerce. The Port does not collect tax revenues, but instead must generate revenue to continue operations.

- The Port and its partners provide 84,144 jobs in the Bay Area.
- The Port's overall economic value is estimated at \$130 billion.³
- About 20% of the jobs created through the Port are based in Oakland.
- Each marine terminal at the Port employs union labor.
- The Port and its tenants contribute \$698 million in state and local taxes.

While the Port has been maintaining the current commercial cargo volume, the Port of Oakland is a "discretionary port"—meaning cargo and commerce could go to other ports if the regulatory environment is overly burdensome and expensive compared to other competitor ports. In contrast, the Ports of Los Angeles and Long Beach maintain a large share of "non-discretionary" cargo, meaning that there are high barriers to cargo moving elsewhere. Maintaining the successful business at the Port of Oakland is essential to support the economy of the Bay Area and provide tens of thousands of local jobs.

While the Port is committed to achieving zero emissions, the clean air regulatory strategies cannot have the effect of disadvantaging the Port of Oakland vis-à-vis competitive ports of commerce that draw jobs and commerce away from the Bay Area region. WOCAP Strategy #62 is for BAAQMD to pursue an Indirect Source Rule. The Port is already highly regulated. It is also highly compliant as highlighted in the WOCAP Appendix E, which shows zero stationary source violations from Port tenants and a compliance rate of over 99% for truck emissions inspections.

In addition to being highly regulated and compliant, the Port is improving its efficiency with a host of new projects planned and underway, including new transloading facilities in the Port

² From Budget and Finance report at May 23, 2019 Port Board Meeting (File ID 098-19), slide 6.

³ <https://www.portofoakland.com/economic-impact-report/jobs-study-port-oakland-generates-84000-jobs-bay-area/>

area, the 7th Street realignment and grade separation projects to improve truck and rail efficiency, and the \$30.6M Freight Intelligent Transportation System which is currently in construction.

California ports use some of the cleanest equipment available and are held to very strict standards relative to their domestic and international competitors. No other state regulates the goods movement industry as aggressively and separately from other sectors as California does. CARB has historically held the goods movement industry to higher standards than other sectors.

- All container lift and horizontal transport equipment is regulated to Tier 4 off-road engine standards by CARB via the Mobile Cargo-Handling Equipment at Ports and Intermodal Rail Yards Regulation for California seaports.
- Drayage trucks serving the Port are all newer than 2007 and use diesel particulate filters. With appointment systems for truckers, the Port has reduced queue and idle times at terminal gates.
- By the end of 2022, every truck serving the Port will have model year 2010 or newer engines pursuant to the CARB Drayage Truck Regulation. Trucks newer than 2010 have selective catalytic reduction for NOx control.
- The Port runs a successful shore power program, with 75% of all 2018 calls using zero-emission shore power. This level of shore power usage was achieved in a very short time frame after an approximately \$55 million investment.

The Port competes with other U.S. and Canadian ports for cargo. West Coast ports have been steadily losing market share to East Coast ports since the widened Panama Canal opened.

An Indirect Source Rule is a growth-punishing regulation that will threaten the success of the Port and its workforce, who operate in an industry already held to higher standards than other industries. Any investments that Port tenants and operators make in Oakland hinge on overall business considerations, including regulatory uncertainty and growth potential. Limiting growth will reduce clean technology investment in the Bay Area. Moreover, losing Asian import trade to U.S. East Coast ports has real environmental impacts from longer ship transits. For these reasons, the Port does not support Strategy #62 for an Indirect Source Rule.

Closing

The Port submitted a separate letter on the Draft Environmental Impact Report for the WOCAP. That letter, which is included here as Attachment 1, is more detailed and includes a list of technical questions.

Ms. Alison Kirk
Port of Oakland Comments on AB 617 West Oakland Community Action Plan
Page 7 of 7

Thank you for the opportunity to comment on the WOCAP. My staff and I look forward to continuing and strengthening our efforts with BAAQMD and WOEIP to implement the WOCAP and improve air quality in West Oakland.

Sincerely,



Danny Wan
Acting Executive Director

CC: Richard Sinkoff, Director of Environmental Programs and Planning
Michele Heffes, Acting Port Attorney

Enclosure: September 6, 2019, Port comment letter to BAAQMD on the WOCAP Draft
Environmental Impact Report



September 6, 2019

Ada E. Márquez
Principal Environmental Planner
Bay Area Air Quality Management District
375 Beale Street, Suite 600
San Francisco, CA 94105
amarquez@BAAQMD.gov

via email

Subject: Port of Oakland Comments on the Draft Environmental Impact Report for the West Oakland Community Action Plan, State Clearinghouse No. 2019059062

Dear Ms. Márquez:

The Port of Oakland (“Port”) appreciates the opportunity to provide comments on the Bay Area Air Quality Management District’s (“BAAQMD”) July 2019 Draft Environmental Impact Report (“DEIR”) for the AB 617 West Oakland Community Action Plan (“WOCAP”). The DEIR identifies the environmental impacts of the WOCAP. This letter follows the June 14, 2019, Port comment letter to BAAQMD on the Notice of Preparation for this DEIR.

The letter introduces the Port and its actions on air quality, then clarifies the role of the Port with respect to the WOCAP, before making specific comments on the DEIR.

About the Port

Under the Charter of the City of Oakland (the “Charter”), the Port of Oakland is an independent Department of the City of Oakland, operating by and through the Board of Port Commissioners (“Board”). The Board is appointed by the City Council upon nomination by the Mayor and has complete and exclusive power and duty to adopt and enforce rules and regulations within the Port Area. The Port Area includes the waterfront properties and lands adjacent thereto, including trust lands granted to the City by the State of California. As an enterprise department of the City of Oakland, the Port of Oakland does not receive tax revenues, but instead must generate revenue to be self-supporting. About 20% of the jobs created through the Port are based in Oakland. The Port and its tenants contribute \$698 million in state and local taxes.¹

¹ <https://www.portofoakland.com/economic-impact-report/jobs-study-port-oakland-generates-84000-jobs-bay-area/>

Market Share and Growth

The Port is the only container port serving the Bay Area, loading California agricultural products for export to foreign markets and importing goods destined primarily for Bay Area residents. The Port operates in a competitive goods movement marketplace, competing against other ports along the West Coast including Canada and Mexico, and also competing against U.S. East Coast ports. The Bay Conservation and Development Commission (“BCDC”) *Draft Final 2019-2050 Bay Area Seaport Forecast*² notes:

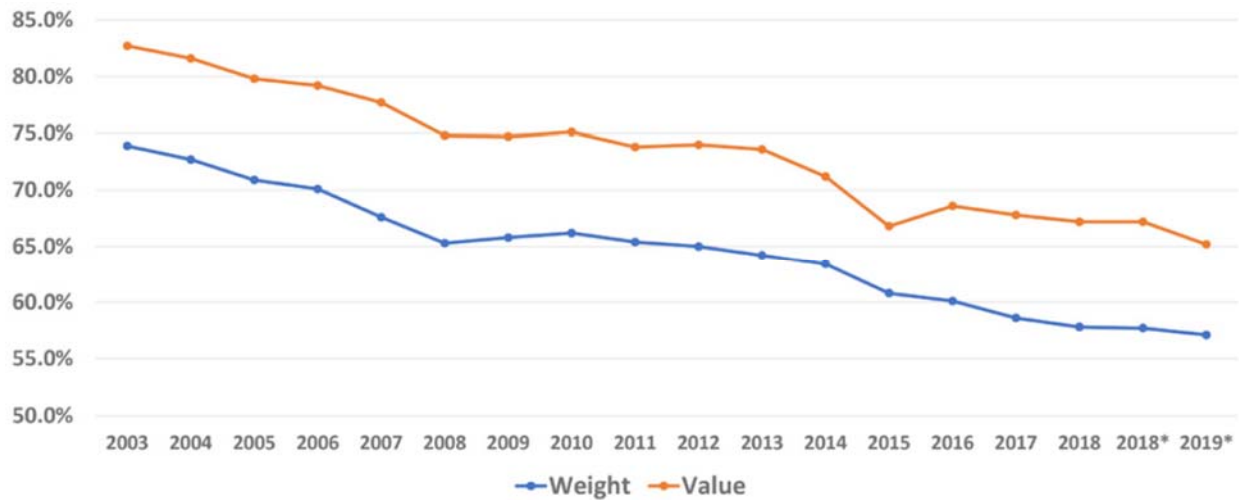
“California container ports compete with other U.S. and North American ports in two ways:

- “California ports compete for “discretionary” container traffic that can move by rail to other regions through any one of several ports. For example, Oakland competes for Asian imports to Midwestern consumer markets with the ports of Los Angeles, Long Beach, Vancouver [Canada], Prince Rupert [Canada], New York-New Jersey, Baltimore, and Virginia.
- “California ports compete with other regions for the location of import distribution centers (DCs) and their inbound trade flows. For example, San Joaquin County might compete with Georgia for a new import DC that would bring in goods through either Oakland or Savannah.”

As shown in Exhibit 1, West Coast ports are losing market share both on the weight of cargo and its value. The loss of market share, even as the market grows, means that discretionary cargo may be transiting to the U.S. East Coast or Canada rather than California ports. For the East coast, this entails a longer transit ocean voyage from Asia through the Panama Canal with the associated higher ocean-going vessel (“OGV”) emissions.

² <http://www.bcdc.ca.gov/seaport/CargoForecastDraftFinal.pdf>

Exhibit 1. West Coast Ports' Market Share of Containerized Asian Imports



Source: U.S. Commerce Department via Pacific Merchant Shipping Association

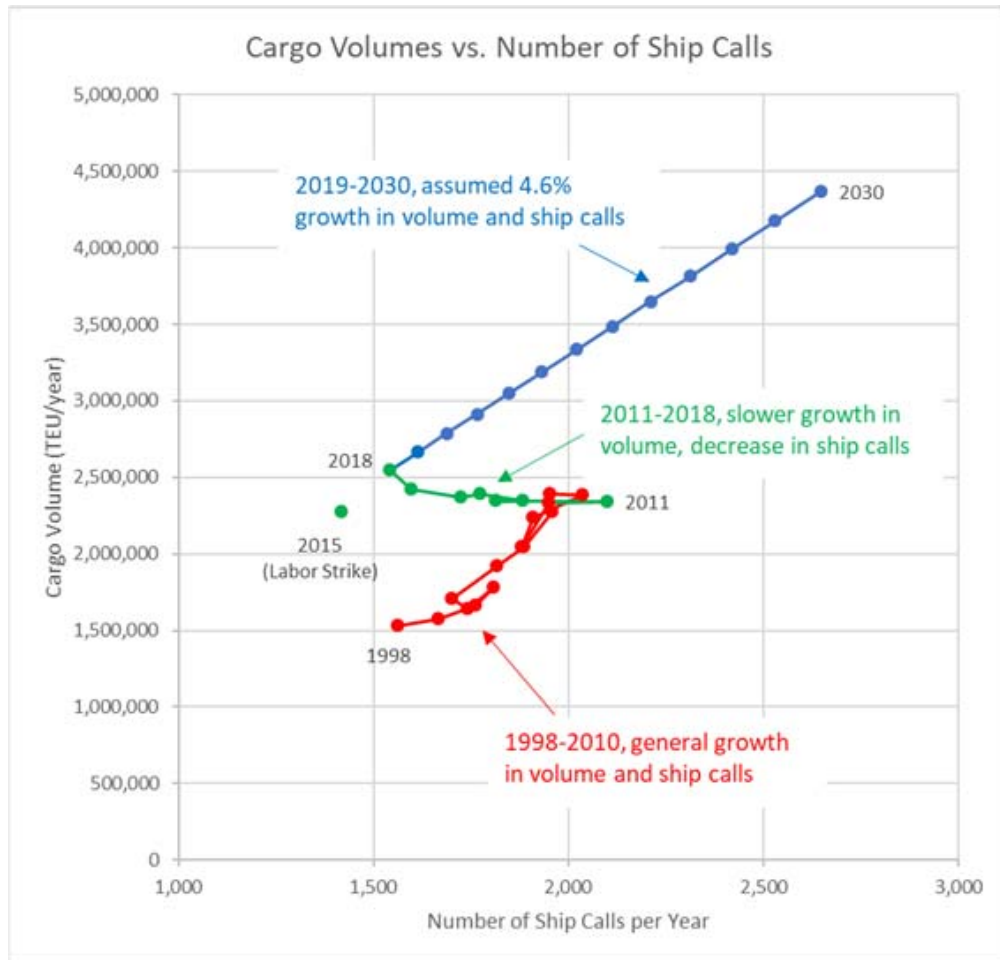
*First half of the year only

The Port's Compound Annual Growth Rate ("CAGR") from fiscal year 2008 to fiscal year 2018 was **0.4%**.³ The Port's fiscal year 2019 through fiscal year 2020 Operating Revenue Budgets are based on cargo growth estimates ranging from 0% to 2.0%. Budget projections through fiscal year 2024 reflect similar growth assumptions.

The number of vessel calls at the Port has been decreasing in recent years, as illustrated in Exhibit 2. Each dot on the graph is a different year. The graph shows cargo volume on the y-axis generally growing upwards from year to year. It shows number of ship calls on the x-axis. The number of ship calls generally grew each year until 2011, when it abruptly shifts and begins to decrease each year.

³ From Budget and Finance report at May 23, 2019 Port Board Meeting (File ID 098-19), slide 6.

Exhibit 2. Port Cargo Volumes vs. Number of Ship Calls, Actual 1998-2018 calls and Projected 2019-2030 calls using CARB’s average CAGR of 4.6% for the Port



Starting in 2011, shipping lines have been forming alliances and moving more cargo on fewer, larger ships. The average capacity of a vessel calling the Port is 6,333 Twenty-Foot Equivalent Units (“TEUs”) (BCDC, 2019). All international shipping lines calling the Port also call the ports of Los Angeles and Long Beach. As those vessels grow, as described in CARB’s *Draft 2018/2019 Update to Inventory for Ocean-Going Vessels: Methodology and Results*, the vessels calling Oakland will also be, on average, larger with more containers discharged and per vessel.

Development and Operations

At the end of 2018, the Cool Port cold storage facility opened on Port property. This facility uses temperature-controlled transloading and efficient use of rail to reduce truck trips. The CenterPoint Properties development, a 460,000-square foot warehousing and transloading facility, is expected to open in June 2020, and it will allow even more transloading within the Port area. The development of transloading centers in the Port’s backlands, adjacent to the marine terminals,

allows for efficient cargo transport with fewer and shorter truck trips, which is a deliberate Port response to reduce logistics sprawl.

The use of on-dock transloading, on-line portal and appointment systems for truckers, and the cleanest available engines set the Port apart as an industry leader in systematic efficient and low-emissions operations. The Port is currently enacting its GoPort program, a series of three projects to further improve efficiency at the Port. The first project, the \$30.6M Freight Intelligent Transportation System (“FITS”) is in construction. FITS includes advanced and innovative demonstration technologies to improve the efficiency and safety of operations and improve circulation and reliability of truck and rail throughout the Seaport. The second two projects improve 7th Street access points via grade separations for rail. These projects will improve both truck and rail efficiencies by removing at-grade crossings and modernizing the Port’s circulation infrastructure.

The Port’s Role in Improving Air Quality

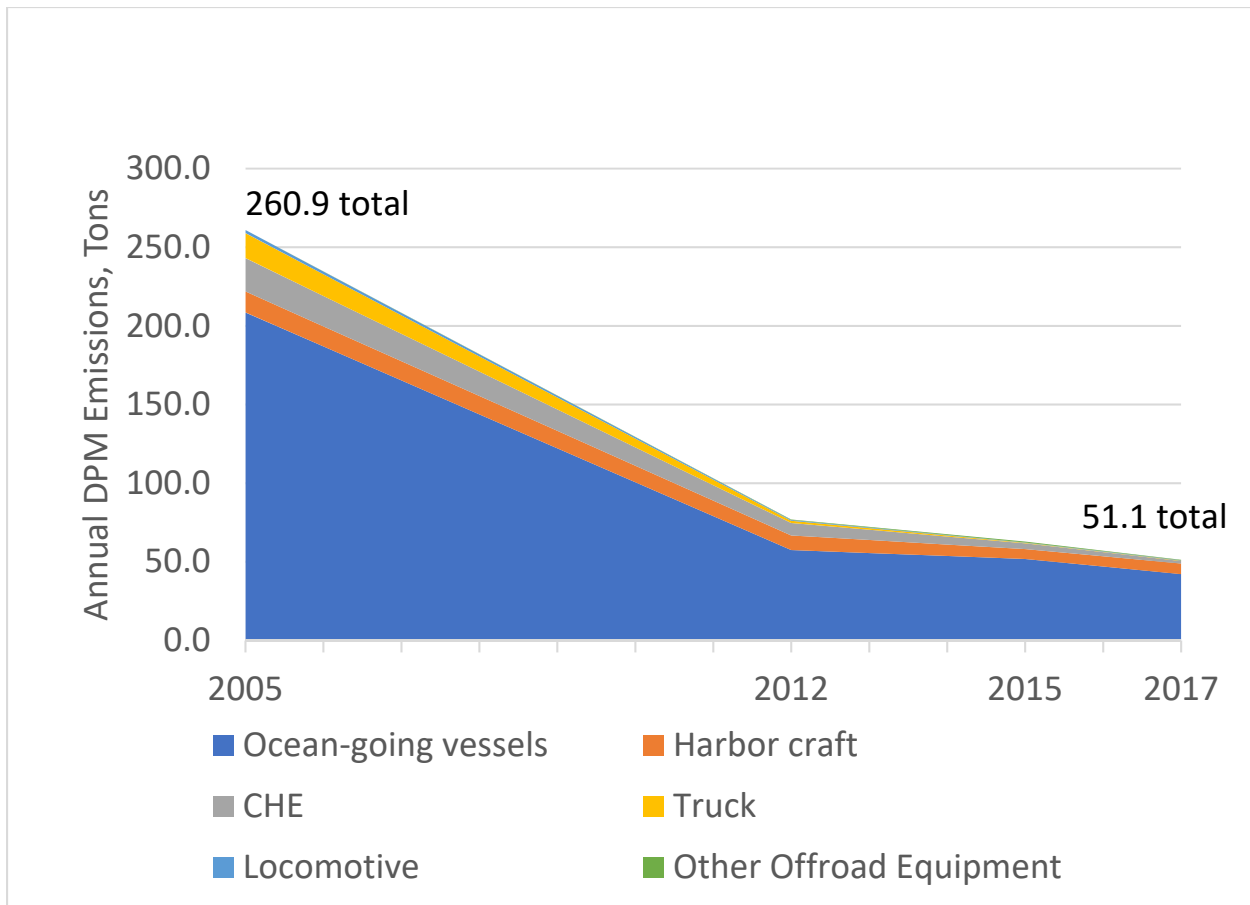
The Port has performed in a leadership role to improve air quality and manage Seaport-serving truck traffic within the Port area and West Oakland.

Following a comprehensive stakeholder outreach process, which included extensive engagement from the West Oakland community and the BAAQMD, the Board approved its Marine Air Quality Improvement Plan (MAQIP) in 2009. The MAQIP identified a series of programs and projects to improve air quality in West Oakland and the region affected by the Port’s operations. The Port and its business partners—the carriers, terminals, and truckers—have played a major role and invested millions in their own projects resulting in a decrease in emissions from Port operations.

As a result, the 2017 Seaport Emissions Inventory shows that the Seaport-related emissions have achieved an over 80% reduction in emissions of diesel particulate matter (“DPM”) between 2005 and 2017 (Exhibit 3). During this period, the Port, the truckers, the marine terminal operators and the carriers invested in environmental programs designed to reduce emissions through the use of the cleanest diesel engines available, the use of shore power for ocean-going vessels, and outreach to truck and equipment owners regarding incentives, as noted in the Port’s June 14, 2019, comment letter to BAAQMD. Maintaining the successful business of the Port is essential to support the 84,144 jobs the Port and its partners provide in the Bay Area, with the Port’s overall economic value at an estimated \$130 billion.⁴

⁴ <https://www.portofoakland.com/economic-impact-report/jobs-study-port-oakland-generates-84000-jobs-bay-area/>

Exhibit 3. Reduction in Port Diesel Particulate Matter (“DPM”) Emissions Since 2005



In late 2017, the Port initiated a successor to the MAQIP called the Seaport Air Quality 2020 and Beyond Plan (“2020 and Beyond Plan”). The process of developing the 2020 and Beyond Plan involved extensive stakeholder engagement, including participation by BAAQMD and the West Oakland Environmental Indicators Project (“WOEIP”) as co-chairs of the 2020 and Beyond Plan Steering Committee. The 2020 and Beyond Plan establishes the Port’s long-term vision of a zero-emissions Seaport and provides a framework for making future decisions on the Port’s clean air projects in consultation with the stakeholders. The 2020 and Beyond Plan was approved by the Board on June 13, 2019, through Resolution 1941.

The standards for air quality in California are amongst the most protective of human health in the United States. California sets stricter ambient air quality standards than USEPA. At California seaports, operators use some of the cleanest equipment available and are held to very strict standards relative to their domestic and international competitors, as shown below. No other state regulates the goods movement industry as aggressively and separately from other sectors, as California does; CARB has historically held the goods movement industry to higher standards than other sectors, with the result that the goods movement industry uses cleaner equipment than other industries. The resulting air quality requirements and accomplishments include:

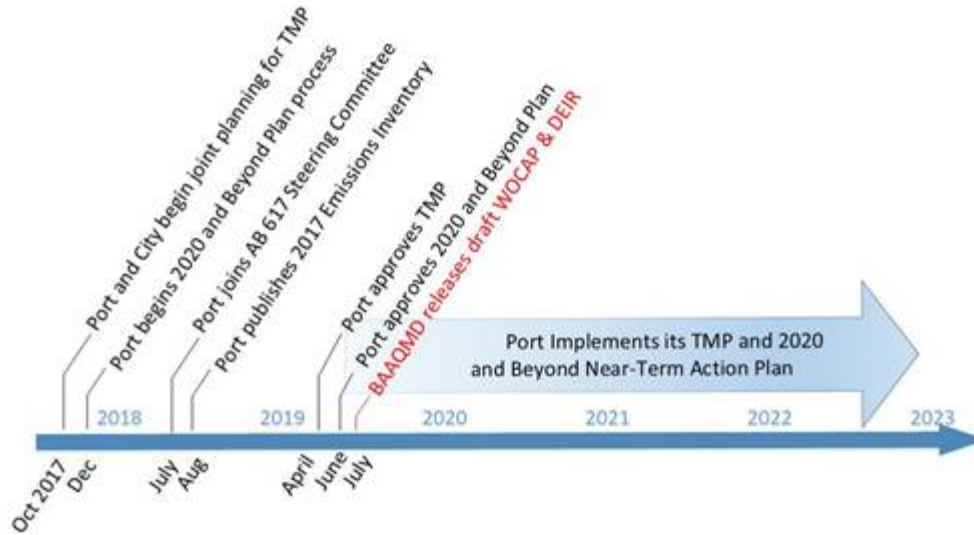
- All container lift and horizontal transport equipment is regulated to Tier 4 off-road engine standards by the California Air Resources Board (“CARB”) via the Mobile Cargo-Handling Equipment (“CHE”) at Ports and Intermodal Rail Yards Regulation for California seaports.
- Drayage trucks serving the Seaport are all newer than 2007 and use diesel particulate filters. With appointment systems for truckers, the Port has reduced queue and idle times at terminal gates.
- By the end of 2022, every truck will have a model year 2010 or newer engine pursuant to the CARB Drayage Truck Regulation. Trucks newer than 2010 have selective catalytic reduction for NOx control.
- The Port designed, constructed, and operates a shore power program, with 75% of all 2018 calls using zero-emission shore power. This level of shore power usage was achieved after an approximately \$55-million investment at the Port and only six years after implementation of California’s first-ever requirement to use shore power, a previously untested control measure for container vessels.

It is worth noting that the compliance summary in Chapter 7 of the WOCAP, supported by details in Appendix E of the WOCAP, “List of Complaints Received in West Oakland (January 2016 – December 2018)” showed that there were zero violations documented for complaints related to Port tenants during the three-year period summarized. For trucks, out of 924 inspections, the majority conducted within the Port, only nine reported emissions violations; less than 1%. These data highlight an extremely high compliance rate at the Port for both mobile and stationary sources.

Recognizing that operations at the Seaport and on the City of Oakland’s portion of the former Oakland Army Base (OAB) affect the West Oakland community, with some impacts associated with truck traffic in and around the Port, the Port and the City also prepared a Truck Management Plan (“TMP”). The TMP included extensive input from the West Oakland residential and business communities. The Port’s Executive Director approved the TMP on April 29, 2019. The TMP addresses impacts in the area encompassed by West Oakland, the Port of Oakland, the former Oakland Army Base, and the industrial area of Jack London Square north of Jefferson Street. The TMP is intended to improve safety for people walking, biking, and driving in West Oakland; reduce the nuisance of trucks driving or parking where they should not; and improve the quality of life for people living and working in West Oakland, including a reduction in localized diesel emissions.

A timeline of recent Port activities relating to the TMP, the 2020 and Beyond Plan, and the WOCAP is provided in Exhibit 4, below. The Port is committed to implementing the TMP and the 2020 and Beyond Plan, effective on their approval dates of April 29, 2019, and June 13, 2019, respectively. The 2020 and Beyond Plan contains a Near-Term Action Plan, which will be implemented independently of the WOCAP. Therefore, all Port commitments listed in the Near-Term Action Plan that overlap with WOCAP Strategies should be part of the “without Plan” scenario in the WOCAP in Chapters 5 and 6 analysis and discussion.

Exhibit 4. Timeline of Recent Port Activities



Source: Port of Oakland, 2019.

The Port's Role on the West Oakland Community Action Plan

Port staff have served on the AB 617 Steering Committee since the July 27, 2018, kick-off meeting at City Hall, where Board of Port Commissioners (“Port Board”) President Mr. Cestra Butner provided opening statements and Port Environmental Supervisor Diane Heinze described the Port’s Draft Seaport Air Quality 2020 and Beyond Plan. The result of the AB 617 Steering Committee process is the WOCAP, created by BAAQMD and WOEIP.

The Port’s focus in its involvement with the WOCAP has been to educate and inform the BAAQMD and WOEIP about the Port, the need for maintaining and improving efficient Seaport operations, and both ongoing and future air quality improvement initiatives the Port included in the MAQIP and the 2020 and Beyond Plan. The Port will evaluate initiatives identified through the WOCAP process to determine if they meet the screening criteria described in the 2020 and Beyond Plan for implementation.

It must be noted that the Port is not a Responsible Agency for the WOCAP, under the provisions of the California Environmental Quality Act (“CEQA”). CEQA Guidelines section 15381 states:

“‘Responsible agency’ means a public agency which proposes to carry out or approve a project, for which a lead agency is preparing or has prepared an EIR or negative declaration. For the purposes of CEQA, the term ‘responsible agency’ includes all public agencies other than the lead agency which have discretionary approval power over the project.”

The WOCAP DEIR accurately reflects this in Section 1.2.3 of the DEIR. BAAQMD does not list the Port as a Responsible Agency.

However, Section 2.3 of the DEIR states:

“[t]he Seaport Air Quality 2020 and Beyond Plan is an example of the Port’s effort to manage operations at and air pollution from the Port. For the [West Oakland Clean Air] Plan, the Port will implement strategies that address air pollution from Port and Port tenant activities, such as the movement of inbound and outbound freight on cargo equipment, port trucks, locomotive, and ocean-going ships and harbor craft in the San Francisco Bay (Strategies #19, #32, #38, #58, #59, and #60).”

This is not accurate. The initiatives and process described in the Port’s 2020 and Beyond Plan constitute the Port’s plan and commitment towards a zero-emission seaport. Although the 2020 and Beyond Plan will consider additional initiatives not explicitly listed in that Plan; including initiatives identified in the WOCAP DEIR and others, through the process described in the Plan, the WOCAP cannot commit the Port to implement strategies listed, but not analyzed, in the DEIR. The Board of Port Commissioners has sole authority over the actions of the Port and only the Board can direct Port actions. Port staff have already started screening emissions reduction measures for a potential update to the 2020 and Beyond Plan’s Near-Term Action Plan. The Port will consider incorporation of appropriate measures from the WOCAP based upon review and consideration and the exercise of the Board’s independent judgment, per the 2020 and Beyond Plan and associated Board Resolution 19-41.

The Relationship between the WOCAP DEIR and the Port’s CEQA Review Process

The WOCAP includes 84 Strategies, 28 of which (33%) are under the authority of BAAQMD to implement and 56 of which are outside BAAQMD’s authority to implement, are not analyzed in the DEIR, and, in the case of those initiatives identified as the Port’s responsibility, have not been evaluated in other CEQA documents. Suggesting that agencies such as the Port will rely on the DEIR to tier off CEQA analysis of the 56 Strategies creates the false impression that these initiatives have some level of CEQA clearance, which they do not. While many of the 28 BAAQMD Strategies were “not expected to result in adverse physical environmental impacts” as stated in the DEIR, some were found “too speculative to determine if any environmental impacts might occur at this stage,” and as such may also need further CEQA review before they can be considered for implementation.

Chapter 4 of the DEIR identifies Alternative 2 as the Alternative consisting of the 28 BAAQMD Strategies; which are analyzed in the DEIR. Because these are the only initiatives evaluated in the DEIR, this should be identified as the Proposed Project. The Proposed Project identified in the DEIR, including all 84 Strategies, has not been evaluated for CEQA compliance.

The Port Board of Commissioners Will Conduct its own CEQA Review Pursuant to its own Authority

The Port offers these comments on the DEIR as a member of the AB 617 Steering Committee and as a committed participant in reducing emissions in West Oakland, primarily through the MAQIP and its successor, the 2020 and Beyond Plan. As defined under the California Environmental Quality Act, the Port is not a Responsible Agency for the WOCAP, meaning the Port will need to conduct its own CEQA review pursuant to its own authority for consideration of implementation of actions in the 2020 and Beyond Plan.

The Port requests that it be removed from the discussion in Section 2.3, which should be limited to BAAQMD as the agency with authority over the 28 Strategies analyzed in the DEIR.

Section 1.2.3 of the DEIR states “[l]ocal public agencies, such as cities, and counties could be expected to tier off this EIR when considering land use and planning decisions related to projects that implement a Strategy in the West Oakland Community Action Plan, pursuant to CEQA Guidelines §15152.”

Section 1.4 of the DEIR states “...the Air District’s approval of the Strategies will not authorize or commit those agencies to any action. As these actions and activities by independent agencies are not Air District actions and will occur independently of the District’s approval of the Strategies under their authority, they are not direct or indirect effects resulting from approval of the Plan that must be analyzed in this document. Accordingly, the EIR does not address implementation actions by other agencies that are independent of the Air District’s implementation actions under the Community Action Plan.”

The Port cannot rely on or tier off the AB 617 WOCAP DEIR to provide environmental review for future discretionary actions as there is no analysis of direct or indirect effects associated with Port-assigned strategies. In addition, the Port will not be making any discretionary approvals for the 28 BAAQMD actions included in the 84 WOCAP Strategies. Even though Section 1.1 of the DEIR states the Port is one of the government agencies with “primary responsibility for implementing the strategies in the [West Oakland] Community Action Plan,” the Port is not a Responsible Agency as defined in CEQA.

Port-Specific Growth Estimates Should Rely on Port-Specific Studies

As the Port stated in its June 14, 2019 comment letter to BAAQMD on the Notice of Preparation for this DEIR, the macroeconomic cargo growth estimate CARB developed and BAAQMD applied in Appendix C of the DEIR is overly aggressive, not realistic, and therefore misleading in the context of forecasting emissions. CARB developed a growth estimate of 4.6% CAGR based on its interpretation of the Federal Highway Administration Freight Analysis Framework (“FAF”) Version 4.3.1 data. In the WOCAP, this growth estimate is rounded to 5%.

The WOCAP (Page 5.23) and the DEIR do not provide details on the queries made of the FAF database, nor the underlying assumptions for freight growth in Oakland. The FAF database

has been updated three times since Version 4.3.1. Accordingly, the Port requests that the FAF growth analysis be updated to rely on FAF Version 4.5.

Subsequent to CARB's FAF analysis, BCDC has prepared a port- and region-specific analysis of anticipated cargo growth in the Bay Area. As CARB states in its January 2019 *Draft 2018/2019 Update to Inventory for Ocean-Going Vessels: Methodology and Results*,⁵ for the Ports of Los Angeles and Long Beach ("LA/LB"), "CARB is using the Mercator growth rates for the Ports of LA/LB because; (1) this analysis was port specific and not regional, and (2) the forecasting accounts for berth space, port capacity, shipping lanes, and additional features not included in FAF." The same is true for the BCDC *Draft Final 2019-2050 Bay Area Seaport Forecast*. Since BCDC has published the Oakland-specific forecast, BAAQMD's future-year projections should replace the unrealistic 4.6% forecast with the BCDC forecast of 2.2% CAGR for container throughput, to provide a justifiable projection of anticipated growth. This is the medium-growth scenario in the BCDC forecast. It is particularly important that the 4.6% CAGR **not** be applied to vessel and tug activity because growth in number of vessel calls should be estimated separately as the trend over the past eight years is for negative growth in number of vessel calls.

The Port requests that the growth rate of vessel calls be set to 0%. This is a conservative estimate which will overestimate vessel activity in future years.

The Port Supports the Goal of Coordinating Efforts on Strategies Focused on the Highest-Impact Sources

Figure 5-10 of the WOCAP shows that Street and Highway Heavy-Duty Trucks, excluding Port Drayage Trucks, have a high health impact relative to their emissions due to proximity to residents in West Oakland. The Port supports Strategies regarding emissions reductions for these categories, as well as for rail and commercial harbor craft.

The Port Supports Strategies Continuing Incentives

The Port recognizes that incentive programs are critical to implementing several air quality initiatives. For instance, the Port is currently designing and constructing electric charging stations for ten zero-emissions battery-electric trucks at tenant Shippers Transport Express ("STE"). The trucks are being funded through CARB's Zero- and Near-Zero Emissions Freight Facilities ("ZANZEFF") grant, with the intent to demonstrate zero-emissions Class 8 over-the-road drayage trucks in a commercial environment. As part of the ZANZEFF grant project, it is expected that \$9 million will be awarded to improve air quality associated with Port seaport operations, out of a larger multi-port grant award, to demonstrate the viability of zero emissions cargo handling equipment and heavy-duty Class 8 electric trucks in seaport operations.⁶

Of the ten emissions-reduction projects listed in Table 2.6-2 of the DEIR and repeated in Table D-1 of Appendix D to the WOCAP, six of these projects were already initiated by Port tenants, for total PM_{2.5} reductions of 2.5 tons per year. Three of the remaining projects, for tug

⁵ <https://www.arb.ca.gov/msei/ordiesel/draft2019ogvinv.pdf>

⁶ <https://www.portofoakland.com/seaport/port-oakland-add-electric-trucks-thanks-state-grant/>

boat engine replacements, will also serve Port operations. Not listed in Table 2.6-2 are three additional projects in West Oakland, funded by BAAQMD through the Reformulated Gasoline Settlement Fund (“RFG”) in 2019. These projects will bring five electric forklifts, one electric vacuum unit, two electric terminal trucks, and six electric yard hostlers to West Oakland.⁷

WOCAP Strategies #36, 44, 45, 46, 47, 48, and 49 are for the BAAQMD to use and improve incentives for equipment and infrastructure. The Port applauds these Strategies and will continue to encourage Port tenants and related business to avail themselves of available funding through Trucker Work Group announcements, Trucker Environmental Office Hours, and individual outreach. Trucker Environmental Office Hours allow Port staff to inform truck drivers about grant and voucher funding opportunities for cleaner equipment, assist with the grant application process, and provide updates on the latest zero-emissions demonstration projects.

Exhibit 5 shows the details of weekly Trucker Environmental Office Hours at the Port. As noted in the Port’s June 14, 2019, comment letter to BAAQMD, BAAQMD staff are always invited to attend these office hours, which Port staff find to be a rewarding and productive way to advertise the technologies and funding available to truck drivers. Port staff also request BAAQMD promotional materials for grants in the following languages most commonly spoken by Port truckers: English, Spanish, Punjabi, Simple Chinese, and Vietnamese.

Exhibit 5. Trucker Environmental Office Hours Advertisement on Maritime Street



⁷ http://www.baaqmd.gov/~media/files/board-of-directors/2019/msc_agenda_072519-pdf.pdf?la=en

Unlike cleaner diesel equipment, zero-emissions technologies will require new infrastructure for charging or alternative fuel dispensing. Infrastructure for zero-emissions equipment needs incentive funding as much as the equipment itself, and, unlike the equipment, which is limited in operational availability at this time, infrastructure can be funded immediately. The Port suggests that WOCAP Strategies #36, 44, 45, 46, 47, 48, and 49 be refined to explicitly allow for the funding of infrastructure independent of equipment. For each Strategy that begins “The Air District offers financial incentives to...” the Port requests the Strategy be revised to begin “The Air District offers financial incentives for equipment and infrastructure to...”

Port staff encourage BAAQMD to streamline and simplify the funding application process. Programs like CARB’s Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project (“HVIP”) and Clean Off-Road Equipment Voucher Incentive Project (“CORE”) vouchers are examples of streamlined and simple funding opportunities. HVIP and CORE do not require tedious applications or up-front payment for new equipment with delayed reimbursement, which is a burden on the applicant. Additionally, neither HVIP nor CORE requires an existing piece of equipment, which may have significant resale value, to be scrapped.

Given the state of zero-emissions technology, demonstration projects like ZANZEFF will continue to be essential to improve commercial offerings. In addition to the Port’s ZANZEFF commitment, Port tenant GSC Logistics is currently testing a BYD battery-electric Class 8 truck, with second-generation trucks to follow within the year. The GSC Logistics project is funded through CARB’s Climate Change Investments, with the South Coast Air Quality Management District (“SCAQMD”) as the lead applicant and BAAQMD as a co-applicant. This grant-funded project allows the user, GSC Logistics, to invest time and expertise in the project, with minimal financial and administrative burden. The technology vendor, who stands to benefit from an improved commercial product, is the major sponsor of the project.

Incentives are necessary to support transformative change in seaport equipment technologies. The investments the Port’s tenants and operators make in Oakland are contingent on overall business considerations, including regulatory uncertainty and growth potential. Regulations to limit growth will limit clean technology investment in the Bay Area. The loss of Asian import trade to U.S. East Coast ports has real environmental impacts; longer trade routes have higher emissions—from the sources the WOCAP health risk assessment has identified as the highest emitters, OGV.

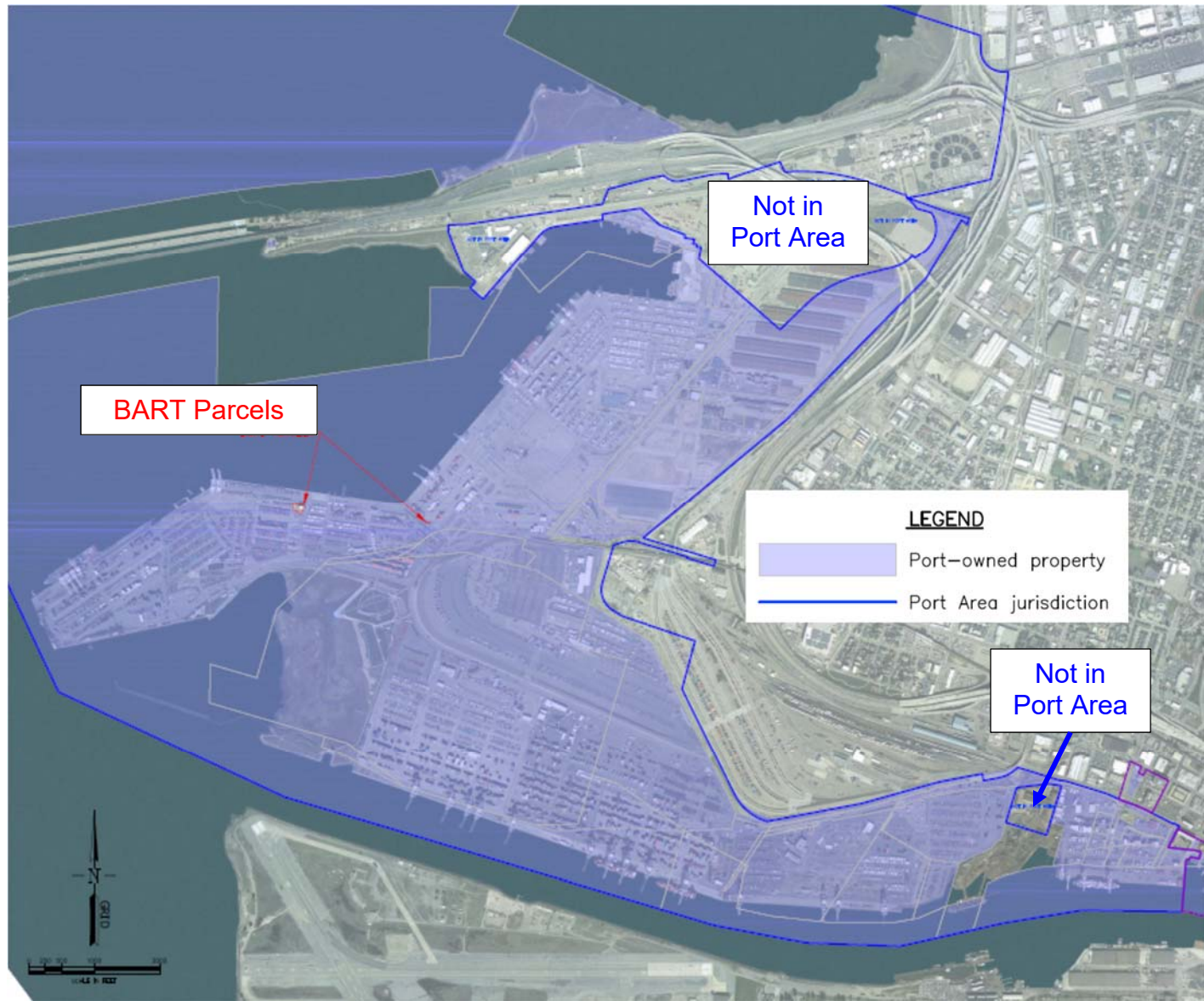
Corrections of Inaccuracies in the WOCAP DEIR

The Port requests correction of the following items in the Final EIR and the Final WOCAP, including the Final Technical Support Document. Attachments 1 and 2 to this letter list specific questions on the DEIR and WOCAP, respectively.

The Port requests that in the Technical Support Document, when entire phrases, sentences, and paragraphs are quoted from the Port’s 2017 Seaport Air Emissions Inventory, that a citation is given to the author, Ramboll US Corporation, and the text is placed in quotation marks.

1. Figures 1-1, 2-1, 2-4, 2-5, 2-6, 2-7, 3-1, 3-3, 3-4, 3-8, 3-9, 3-10, 3-12, 3-13, 3-14, 3-15, 3-16, 3-17, 3-18, and 4-2 of Appendix C to the DEIR show an incorrect Port boundary. Exhibit 6 shows the correct Port boundary, with the City's portions of the former Oakland Army Base, the Union Pacific Railyard, and the Schnitzer Steel property specifically shown as not being in the Port or the Port Area. Only a portion of the Schnitzer Steel property is in the Port's land use planning Port Area.
2. DEIR Section 2.2 Background states "Stationary sources of air pollution are regulated and subject to permitted conditions established by the District. These include complex sources such as metal smelting, wastewater treatment plants, and Port activities, and smaller facilities, such as diesel generators, gasoline dispensing facilities (GDFs, or gas stations), and boilers." Stationary sources at the Port, which are diesel generators and GDFs, are not complex sources. Please strike the phrase "and Port activities" from this sentence.
3. DEIR Section 3.7.3.7 Land Use and Planning incorrectly states "The Union Pacific Intermodal Yard lies south of Interstate 880, within the Port." The Union Pacific Railyard is not within the Port. Please replace this sentence with "The Union Pacific Intermodal Yard lies south of Interstate 880, outside of the Port Area."
4. DEIR Section 3.7.3.7 Land Use and Planning incorrectly states: "Interstate 880 is located along the western boundary of West Oakland area. The Union Pacific Railroad and the BNSF Railroad, and the Knight Rail Yard are located underneath and immediately west of Interstate 880." The Knight Rail Yard is now known as the Outer Harbor Intermodal Terminal. The Port requests that this sentence replace "Knight Rail Yard" with "Outer Harbor Intermodal Terminal."
5. DEIR Section 3.7.3.7 says "The Oakland Base Reuse Authority currently leases space for various transportation, industrial and commercial uses until the former Army Base is redeveloped for permanent non-military uses." The Port of Oakland and the City of Oakland lease their respective parts of the space, not the Oakland Base Reuse Authority. The Oakland Army Base redevelopment is underway and contains only non-military uses. Please strike this sentence.
6. Appendix C of the DEIR, Section 2.1.3 Emissions Sources and Base Year, says "The Port is the fifth busiest port in the U.S. and serves as a gateway for intermodal cargo transport. In 2017, the Port consisted of four active marine terminals (TraPac, Nutter (STS/Everport), Oakland International Container Terminal [OICT], and Matson), and two railyards (Burlington Northern Santa Fe [BNSF], and Oakland Global Rail Enterprise [OGRE]). A fifth terminal (the Charles P. Howard terminal, located on the southeastern corner of the Port), has been vacant since the tenant filed for bankruptcy in 2010. Presently, the American Baseball League the Oakland Athletics (the A's) is investigating the possibility of building a baseball stadium on the site that is currently being used for long term Port (drayage) Truck parking."

Exhibit 6. Port of Oakland Property Map



- a. The Port of Oakland is currently the eighth busiest container port in the United States based on annual container volume. Please update the ranking from “fifth” to “eighth.”
 - b. Since not all terminals are identified by their current lessee in parentheses, please strike “(STS/Everport)” from the second sentence of this paragraph.
 - c. The Charles P. Howard Terminal, located on the southeastern corner of the Port, is not vacant: short-term tenants use the site for truck parking, loaded and empty container storage and staging, transloading (i.e. logistics) facilities, longshoreperson training facilities, and berthing vessels for maintenance and storage. The Howard Terminal has not been used as a marine terminal since January 2014. Please describe the actual activities at the Howard Terminal and strike the incorrect description of a tenant filing for bankruptcy in 2010.
7. Appendix C of the DEIR, Section 2.1.3 Emissions Sources and Base Year, states “While there are some privately owned terminals and non-maritime activity on Port property, emissions from these sources are not included in the Port source categories. For example, emissions from activities at Schnitzer Steel and from truck fleets operating on Port property were accounted for separately.”
 - a. Privately owned terminals are not part of the Port nor are they on Port property. Exhibit 6 shows what is Port property and what is in the Port Area. The Schnitzer Steel terminal is not “within the Port” or “part of the Port” and is not on Port property. Please strike the sentence “While there are some privately owned terminals and non-maritime activity on Port property, emissions from these sources are not included in the Port source categories.”
 - b. The Port requests clarification of what is construed as “non-maritime activity on Port property.”
8. Appendix C to the DEIR, Section 2.5 Ocean-Going Vessels, states “Vessel auxiliary power is primarily used when propulsion engines are not running (e.g., at berth or in anchorage outside of the Source Domain). Vessel auxiliary power was derived from auxiliary generator capacity taken from the 2018 IHS Fairplay database or estimated from a comparable ship (by size and owner) if data were not available.” This is incorrect. Vessel auxiliary engines run at the same time as the propulsion engines during transiting and maneuvering, and also run when propulsion engines are not running, unless the vessel is connected to shore power. The Port’s 2017 Seaport Emissions Inventory accounts for auxiliary engine emissions in all vessel modes.
9. Appendix C of the DEIR, Section 2.7 Cargo Handling Equipment, states “Other types general purpose CHE, such as sweepers, bulldozers, backhoes, excavators, and other off-road equipment, were not included as part of the CHE category since they are used at the Port for facility maintenance and construction.” Equipment that is not used to move cargo, which at the Port is containerized, is not CHE. The Port

suggests this sentence be revised to “Other types of general-purpose off-road equipment, such as sweepers, bulldozers, backhoes, excavators, and other off-road equipment, were not included as part of the CHE category since they are used at the Port for facility maintenance and construction.”

10. Appendix C of the DEIR, Section 2.7 Cargo Handling Equipment, states “Emissions were split between on-dock and off-dock operations, based on the mix of equipment types used at the marine terminals as compared to the BNSF railyard.” The use of the term “off-dock operations” at the Port applies to more areas than just the BNSF railyard. Section 3.4.7 indicates that all off-dock CHE emissions were modeled as originating from polygon area sources covering the BNSF railyard. Additionally, Figure 3-14 incorrectly identifies the location of the BNSF railyard. The “off-dock operations” label applies to all non-marine terminal tenants at the Port, including at the BNSF railyard and at the former Oakland Army Base.
11. Appendix C to the DEIR, Section 6 Uncertainties, Limitations, and Future Improvements, states “The District did attempt to correct emissions for the largest emissions sources (such as Schnitzer Steel) to better reflect the latest source test results and upcoming facility modifications.” Since the health risk assessment for the WOCAP is intended to provide information on “base year (effective 2017)” conditions, the Port requests that upcoming facility modifications at Schnitzer Steel and any other large emissions sources be assumed only in future-year analyses, not the 2017 base-year health risk analysis.
12. Appendix D of the WOCAP, page D-3, states “[i]n response to advocacy by community members, the Air District and others, the Port Commissioners adopted the 2020 and Beyond Plan in 2019 with the condition that the Port would review and incorporate applicable measures from this Community Action Plan.” Board Resolution 19-41 directs Port staff to “submit an Agenda Report to the Board by June 1, 2020, on Port-related strategies and/or implementing actions that are legally required or that, in the Port’s judgment, may meet the 2020 and Beyond Plan feasibility criteria (Table D2), as a result of the final West Oakland Community Air Action Plan prepared pursuant to AB 617 and any potential related updates to the 2020 and Beyond Plan.” Port staff have started screening emissions reduction measures for a potential update to the 2020 and Beyond Plan’s Near-Term Action Plan. The Port will not incorporate measures from the WOCAP without appropriate review and consideration using the Board’s judgment, per the 2020 and Beyond Plan and associated Board Resolution 19-41.

Port staff appreciate the responses from BAAQMD staff on technical questions transmitted via email on August 23, 2019. Port staff request that speciated toxic air contaminant (TAC) emissions from the Port Truck category be removed to avoid double-counting of Port Truck TAC emissions. DPM is the only TAC that should be used for Port Truck running exhaust emissions, per BAAQMD Rule 2-5, which states “Diesel exhaust particulate matter should be used as a surrogate for all TAC emissions from diesel-fueled compression-ignition internal combustion

Ms. Ada E. Márquez

Port of Oakland Comments on AB 617 West Oakland Community Action Plan DEIR

Page 18 of 22

engines.” Port Truck emissions estimates should be conducted using the same methods as for non-Port trucks and vehicles.

Closing

Thank you for the opportunity to comment on the DEIR. My staff and I look forward to discussing these issues with you. If you have any questions, please contact Catherine Mukai, Port Associate Environmental Planner/Scientist at (510) 627-1174 or cmukai@portoakland.com.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Richard Sinkoff', with a large, stylized flourish extending to the left.

Richard Sinkoff

Director of Environmental Programs & Planning

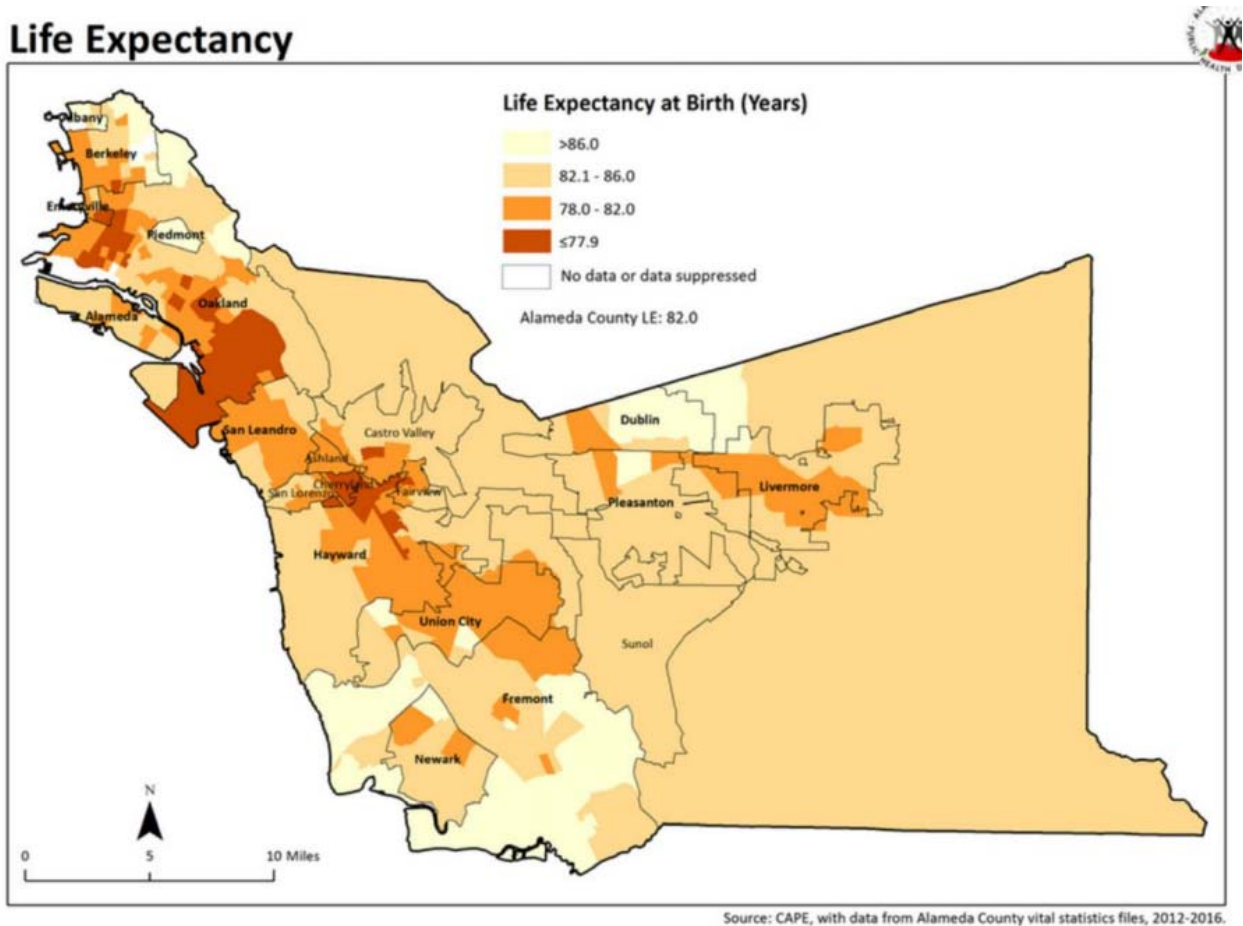
CC: Danny Wan, Acting Port Executive Director
Michele Heffes, Acting Port Attorney

Attachment 1: Questions on the DEIR

1. In Section 1.4.2.2 Energy Impacts, what is the basis of the estimate of 0.42 gigawatt-hours for marine vessel shore power? The value is repeated in Table 3.3.3 of the DEIR. The Port's 2015 Emissions Inventory Final Report, which includes shore power usage information for container ships only, does not contain the value 0.42 gigawatt-hours for marine vessel shore power, nor does the Port's 2017 Seaport Air Emissions Inventory.
2. In Section 3.2.1.4 Sensitive Receptors, Community-Scale Emissions Inventory, and Health Risks in West Oakland, Table 3.2-8 shows a modeled residential cancer risk from local sources in West Oakland of 204 in one million. In Appendix C to the DEIR, Section 5.3 states population-weighted excess cancer risk is 203 in a million. In Appendix C to the DEIR, Table 5-1, the "excess cancer risk across residential areas in West Oakland" is shown to be 307.1 in one million. What is the difference between population-weighted cancer risk and residential-weighted cancer risk?
3. To support regulatory planning and advocacy, the Port requests that a supplemental table of emissions is provided that sorts emissions sources by regulatory category, for example CHE or commercial harbor craft.

Attachment 2: Questions on the WOCAP

1. Figure 2-5, the totals add to more than 100%. Please add cumulative total as labels on y-axis.
2. Figure 2-7 and 2-9: Do these life expectancy values include un-natural deaths due to accident or violence, or are they only for deaths due to disease/sickness?
3. Figure 2-8: What year is this life expectancy map based on? The map seems inconsistent with the information in Figure 2-7. For example, Figure 2-7 shows that Asians and Hispanic/Latinos have the longest life expectancy, but Chinatown and East Oakland which have the highest populations for those groups show the shortest life expectancy. West Oakland has similar life expectancy as North Oakland and West Berkeley. Can you explain the discrepancy? There is a more recent map available at Alameda County's website here: <http://www.acphd.org/media/500113/mapset2018.pdf>. Please replace the older version with this one.



4. Page 2-9: Are there more recent vital statistics than 2010-2012?
5. Page 4-6, top of page. How do exposure conditions in Hoover-Foster neighborhood compare to other neighborhoods in the East Bay and in the Bay Area? Can you give some comparisons?

6. Page 5-2: Is there a way we can see the results of the regional modeling work?
7. Table 5-2: Why are the dredging emissions higher than reported in the Port's 2017 inventory? Where are the Schnitzer tug emissions reported? How were Schnitzer ship emissions calculated? What is included in UP Rail Yard emissions?
8. Figure 5-10: This graph is very helpful and illustrative. As requested previously, could you please include the same graph for 2024?
9. Page 5-23 for On-Road Trucks: Starting at the end of 2022 all trucks serving the Port will have model year 2010 or newer engines. Is this included in the Without Plan scenario?
10. Page 5-24: Why is Port growth 5% when regional growth is only 1%? The Port understands that the two do not need to be the same, but they are at least related, since the Port's key imports are regional cargo, not discretionary Inland Point Intermodal (IPI) cargo.
11. Page 6-3: The Port and City are committed to fully implementing the Truck Management Plan. In fact, the Port and the City have already started implementing strategies for routing, signage, and parking. The Truck Management Plan will be implemented even if the WOCAP is not approved, thus the benefits should be included in any "Without Plan" scenarios.
12. Page 6-4: CARB is already developing its new Advanced Clean Truck Regulation; the final workshop was held 8/21/19. The Port participated in the workshop. CARB staff announced that the language was largely final and they did not expect many changes. For this reason, the benefits should be included in any "Without Plan" scenarios.
13. Page 6-6: The Port applauds Strategy #70 to install filtration systems at schools, community centers, and retirement homes. The Port suggests that the program include funding set asides for regular maintenance of the filters.
14. Page 6-7: Please give more specifics in the bullet list of assumptions for the "With Plan" scenario. The Port's understanding is that for trucks, the assumption is that eight new electric trucks will be purchased each year starting in 2020; or 40 trucks by the end of 2024. There are currently zero electric drayage trucks in commercial production, so these may be more demonstration trucks? For cargo handling equipment, how many pieces are assumed to become electric each year and of what type? Please list the funding source assumed for these purchases, that is helpful information.
15. Page 6-7: The Port is very pleased that BAAQMD plans to streamline and simplify the grant application process and requirements. Port staff hear a lot of concerns during Trucker Environmental Office Hours about how difficult and complicated the process is, technical difficulties with the on-line application, the limitations of working with dealers whose supply of used trucks is overpriced with small selection. Other concerns are the requirement to scrap a truck that can be as new as 2010 (with a 2009 engine) when that truck still has a lot of resale value. Perhaps BAAQMD would consider 3-way transfers? Language barriers could be

mitigated by providing grant materials in more languages, and more advertising would be useful.

16. Page 6-10: What is the per-truck DPM and cancer risk reduction for replacing a single diesel truck with an electric truck? Why are the Advanced Clean Truck and Heavy-Duty Inspection and Maintenance rules considered in the “With Plan” alternative when both of those CARB rules are well underway and will continue even if the WOCAP is not approved? The benefits of these should be moved to the “Without Plan” scenario.

For ocean-going vessels, the Port requests a 0% growth rate, not 5%, for reasons already stated above. Also, the Port already has a requirement to meet 90% shore power compliance by 2020, due to grant requirements. Because of this and the fact that CARB’s At-Berth amendments are already underway, the benefits of increased shore power should be moved to the “Without Plan” scenario. These will occur regardless of whether the WOCAP is approved.

17. Page 6-14: California Waste Solutions has already publicly announced its move to the former Oakland Army Base, so the benefits should be included in the “Without Plan” scenario.

18. Page D-3: The paragraph starting with “The MAQIP” is not accurate. The MAQIP planning horizon goes until 2020. The Port had always intended to create a new air quality plan once the MAQIP expired naturally. It is not true to say that the Port initiated the 2020 and Beyond effort because it recognized “the need to identify additional strategies to achieve the 85% reduction goal.” It is more accurate to say that the Port initiated the 2020 and Beyond Planning process to proactively develop a long-term framework to address both TACs and GHGs. The Port believes it is on track to meet the 85% reduction goal relying on the MAQIP, considering it was already at over 80% reductions in 2017 with three more years of progress ahead.