



425 S. Palos Verdes Street Post Office Box 151 San Pedro, CA 90733-0151 TEL/TDD 310 SEA-PORT www.portoflosangeles.org

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*Executive Director*

**DATE:** June 8, 2021

**SUBJECT: REQUEST FOR PROPOSALS FOR LOW CARBON FUEL STANDARD CREDITS BROKERAGE SERVICES**

Pursuant to the Request for Proposals (RFP), all proposers were to submit any questions regarding this RFP by no later than Tuesday, June 1, 2021. Questions were to be answered in writing and all questions and responses were to be posted on the Department's website.

Below is a list of questions received from proposers, and the Department's response:

**1. Q: Would the Port like the LCFS broker to also develop the LCFS project by gathering and submitting the requisite records to ARB?**

A: The Harbor Department would like the LCFS broker to gather and submit the necessary brokerage records to CARB.

**2. Q: What is the Port's total shore power MWh consumption on an annual basis? (If you can't provide the exact number, can you provide a ballpark figure?)**

A: Currently, the Harbor Department is seeking brokerage for LCFS credits accrued at the Cruise Ship terminal, which consumed about 7,000 MWh in 2020. We expect this number to increase once the Cruise Ship Industry returns to business as usual.

**3. Q: What is the Port's total electric cargo handling equipment MWh consumption on an annual basis?**

A: The Harbor Department does not own/operate cargo-handling equipment.

**4. Q: Is the Port of LA seeking support with the administrative operations associated with LCFS, RTC, and ERC management including but not limited to registration, reporting, and compliance filings? If not, is the Port of LA simply seeking for an entity to monetize their generated LCFS, RTC, and ERC credits?**

A: The Harbor Department is not seeking support with the administration associated with LCFS credits, RTC or ERC at this time. The Harbor Department is only

seeking a broker to monetize the generated LCFS credits and to broker purchases of RTC and ERC.

**5. Q: Can the Port of LA provide an estimation of their annual LCFS, RTC, and ERC credit generation?**

A: The Harbor Department is seeking brokerage for LCFS credits accrued at the Cruise Ship terminal, which generated about 4,000 credits in 2020. Historically, the Harbor Department has purchased between 5,000 to 10,000 RTC annually. At this time, the Port does not generate ERC or purchase ERC, but would like to have that option available.

**6. Q: Of totals provided above, how many of each credits does the Harbor Department anticipate will be sold or intended for sale on an annual basis?**

A: Currently, the Harbor Department anticipates selling all of the generated LCFS credits on an annual basis. RTC are purchased on an annual basis ranging from 5,000 to 10,000 NOx Coastal RTC with additional purchases as needed.

**7. Q: Please provide a breakdown of LCFS credits generated by asset type (e.g., eForklifts, electric vehicle charging, eOGV).**

A: The Harbor Department does not own/operate cargo-handling equipment. All LCFS credits are generated by eOGV.

**8. Q: How many LCFS credit generating assets, of which asset type, does the Harbor Department currently have registered with CARB?**

A: Currently, the Harbor Department has 6 registered FSE vaults for eOGV at the Cruise Ship terminal.

**9. Q: Does the Harbor Department, or its agents, currently manage the administration and generation of LCFS credits?**

A: Yes.

**10. Q: Please explain which activities are included in Project Scope of Work Item 2: "Maintain the Harbor Department's LCFS credit bank & transfer"**

A: The Harbor Department expects the broker to maintain and submit appropriate credit bank and transfer documentation to CARB via the LCFS system for all brokerage transactions.

**11. Q: Is the administration and generation of LCFS credits included in this scope of work? Such activities may include quarterly fuel reporting, asset registration, fuel pathway maintenance, annual verification, etc.**

A: No. The Harbor Department is seeking a broker only at this time.

**12. Q: Is the Harbor Department currently utilizing renewable energy to report zero carbon intensity (zero-CI) electricity to yield more LCFS credit generation?**

A: Not at this time for this location.

**13. Q: How many LCFS credits have been generated over the last 1, 2, 3 years?**

A: At this time, the Harbor Department is seeking brokerage for LCFS credits accrued at the Cruise Ship terminal, which generated about 4,000 credits in 2020. Calendar year 2020 was the first full reporting year.

**14. Q: What is an estimate of future LCFS credit volumes over next 3 years?**

A: The Harbor department anticipates LCFS credit growth over the next three years. The 2020 credits were accrued at the Cruise Ship terminal, which had limited usage during 2020. During 2021, the terminal may generate around the same 4,000 credits. Credit generation is expected to double annually over the following two years once the Cruise Ship Industry returns to business as usual.

**15. Q: What frequency or interval is anticipated for transacting LCFS credits?**

A: Annual basis.

**16. Q: How many RTC and ERC credits generated over last 1, 2, 3 years?**

A: The Harbor Department traditionally has purchased RTC. NOx Coastal RTC purchases were 7,500 (2018), 10,000 (2019), and 6,000 (2020). The Harbor Department has never purchased or generated ERC.

**17. Q: What is an estimate of future RTC credits over next 3 years?**

A: Estimated RTC purchase is approximately 7,500 pounds of NOx Coastal RTC every year.

**18. Q: What is an estimate of future ERC credits over next 3 years?**

A: Zero at this time.

**19. Q: What frequency or interval is anticipated for transacting RTC credits under the term of the agreement?**

A: One to two times a year.

**20. Q: What frequency or interval is anticipated for transacting ERC credits under the agreement?**

A: Zero at this time, but if this does occur it would likely be on an annual basis.

**21. Q: What activities are generating RTC credits at the Port of Los Angeles?**

A: The Port does not generate RTC.

**22. Q: What activities are generating ERC credits at the Port of Los Angeles?**

A: The Port does not generate ERC.

**23. Q: What fuel(s) will generate credits in LCFS for Port of Los Angeles?**

A: Electricity for eOGV at berth.

**24. Q: What applications (i.e., vehicle types) will generate credits for Port of Los Angeles?**

A: Ocean going vessels.

**25. Q: Who is the reporting entity with LCFS compliance responsibility for The Port of Los Angeles? Would this be the selected consultant?**

A: Starcrest Consulting Group, LLC. is currently assisting the Harbor Department to report LCFS credits. They are not acting as a broker on behalf of the Harbor Department.

**26. Q: How many LCFS/ RTCs and or EFC are you expecting to generate in each of the first three years?**

A: See answer to Questions 14 and 17.

**27. Q: When does the three years begin?**

A: The agreement begins once the Executive Director has signed the Board approved agreement.

**28. Q: What happens at the end of three years?**

A: The agreement ends 3 years after the execution date. At that time, unless the contract is amended for extension, a new RFP will be released for the next contract.

**29. Q: Can the agreement be extended without going to a new RFP?**

A: The agreement could be extended additional years as needed, however each extension would require another Board approval process.

**30. Q: Will the Port keep all credits for any subcontractor who electrifies their fleet?**

A: At this time, the Harbor Department is only accruing credits from one terminal operated by the Port of Los Angeles.

**31. Q: If not, will the Port subcontractors be mandated to work with the awardee?**

A: No.

**32. Q: Can you provide an example of Insurance Verification Letter?**

A: A sample insurance verification letter is attached.

**33. Q: What volume of LCFS credits is Harbor Department expected to earn in next 12 months?**

A: The Harbor Department anticipates generating about 4,000 LCFS credits at the designated terminal during 2021.

**34. Q: What volume of RTCs is Harbor Department expected to transact in next 12 months?**

A: Between 5,000 to 10,000 NOx Coastal RTC for purchase.

**35. Q: What volume of ERCs is Harbor Department expected to transact in next 12 months?**

A: Zero at this time.

**36. Q: Does Harbor Department currently have a contract with service provider currently? If so, please provide a copy of contract.**

A: The Harbor Department does not have a current contract with a service provider.

Letterhead

March 23, 2021

To: Port of Los Angeles

Regarding: (RFP Title) Requirements

To Whom It May Concern:

Pursuant to your request for a confirmation of (Company Name) and their (list insurance policies) I can confirm it (meets or can acquire) the indemnity and other requirements (list requirements covered) set forth in your information request. As such time you require certificates or other evidence of coverage, we would be pleased to provide that information to you.

As you have any questions, please feel free to reach out to me.

Best Regards,