



**THE PORT  
OF LOS ANGELES**  
Executive Director's  
Report to the

Board of Harbor Commissioners

**DATE: JULY 2, 2024**

**FROM: ENVIRONMENTAL MANAGEMENT**

**SUBJECT: RESOLUTION NO. \_\_\_\_\_ - APPROVAL OF A TECHNOLOGY  
ADVANCEMENT PROGRAM AGREEMENT BETWEEN THE CITY OF  
LOS ANGELES HARBOR DEPARTMENT AND AERAS  
TECHNOLOGIES, LLC. TO DEMONSTRATE AN EMISSIONS CAPTURE  
AND CONTROL SYSTEM FOR ROLL-ON/ROLL-OFF VESSELS**

**SUMMARY:**

Staff requests approval of the proposed Agreement between the City of Los Angeles Harbor Department (Harbor Department) and AERAS Technologies, LLC (AERAS) to fund a Clean Air Action Plan (CAAP) Technology Advancement Program (TAP) project to demonstrate an emissions capture and control system for Roll-On/Roll-Off (RoRo) vessels. The total estimated cost of the AERAS Emission Control System Project (Project) is \$11,315,000. The Harbor Department is financially responsible for TAP funding in the amount of \$750,000 to support the demonstration and verification of the technology for use on RoRo vessels.

**RECOMMENDATION:**

It is recommended that the Board of Harbor Commissioners (Board):

1. Find that the Director of Environmental Management has determined that the proposed action is administratively exempt from the requirements of the California Environmental Quality Act (CEQA) under Article II, Section 2(f) of the Los Angeles City CEQA Guidelines;
2. Approve the Agreement between the City of Los Angeles Harbor Department and AERAS Technologies, LLC in the amount of \$750,000;
3. Authorize the Executive Director to execute and Board Secretary to attest to said agreement for and on behalf of the Board of Harbor Commissioners; and
4. Adopt Resolution No. \_\_\_\_\_.

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**SUBJECT: TECHNOLOGY ADVANCEMENT PROGRAM PROJECT WITH AERAS TECHNOLOGIES, LLC.**

**DISCUSSION:**

Background/Context – On November 20, 2006, during a joint meeting between the Los Angeles and Long Beach Boards of Harbor Commissioners, the 2006 San Pedro Bay Ports CAAP was adopted. A significant initiative of the CAAP is the TAP, which is the catalyst for identifying, evaluating, and demonstrating new and emerging emissions reduction technologies applicable to the port industry that could be utilized in future updates to the CAAP as new control measures, alternatives to existing measures, or as additional mitigation options for new projects. The CAAP TAP Advisory Committee (AC), comprised of the United States Environmental Protection Agency, the California Air Resourced Board (CARB), the California Energy Commission and the South Coast Air Quality Management District, along with the Harbor Department and Port of Long Beach (POLB), meets regularly to review and recommend projects, such as the AERAS project, for funding.

Although this Project was recommended for funding by the TAP AC, POLB has decided to no longer fund capture and control technologies in their approach to at-berth emissions control. Therefore, the Harbor Department will contribute \$750,000 to the Project without a cost share from POLB.

Project Description – AERAS developed and received CARB verification for their barge-based capture and control system for container vessels. In order to treat other types of vessels, additional CARB testing and verification is required. The proposed one-year Agreement (Transmittal 1) will provide funding for AERAS to modify its systems and operational procedures to demonstrate and refine these capabilities on RoRo vessels in advance of the CARB 2025 compliance deadline for these vessels as well as fund the CARB verification process. Successful completion of this Project would provide a significant benefit to RoRo operations at the Harbor Department and provide a pathway towards regulatory compliance.

RoRo vessels present unique challenges for capture and control systems, including horizontal ducting requirements to account for RoRo stack configuration. AERAS has assembled a team of partners to implement the Project. Harbor Industrial Inc./Innovative Engineering and Maintenance for equipment assembly, fabrication, and integration; P2S Inc. for engineering services; Pacific Tugboat Service for operating and barge construction support; and American Marine Corporation for waterside operational labor and provisioning support.

The entire cost of the Project is anticipated to be \$11,315,000. The total requested amount of TAP funding is \$750,000 to be paid by the Harbor Department. AERAS and their project team will pay the remaining cost.

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**SUBJECT: TECHNOLOGY ADVANCEMENT PROGRAM PROJECT WITH AERAS TECHNOLOGIES, LLC.**

**ENVIRONMENTAL ASSESSMENT:**

The proposed action is the approval of the proposed Agreement between the Harbor Department and AERAS to fund a CAAP TAP project to demonstrate an emissions capture and control system for RoRo vessels, which is an administrative activity. Therefore, the Director of Environmental Management has determined that the proposed action is administratively exempt from the requirements of CEQA in accordance with Article II Section 2(f) of the Los Angeles City CEQA Guidelines.

**FINANCIAL IMPACT:**

The proposed action is the approval of a one-year TAP Agreement for funding of the AERAS Project. The total cost of the Project is \$11,315,000, and will be funded as follows:

Harbor Department	\$750,000
AERAS	<u>\$10,565,000</u>
<b>TOTAL:</b>	<b>\$11,315,000</b>

Fiscal Year 2024/2025 funding in the amount of \$750,000 is available within Account 59965 (Customer Environmental Subsidies & Incentives), Center 0330, Program 000.

**CITY ATTORNEY:**

The Office of the City Attorney has reviewed and approved the proposed Agreement as to form and legality.

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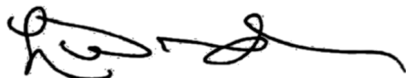
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SUBJECT: TECHNOLOGY ADVANCEMENT PROGRAM PROJECT WITH AERAS TECHNOLOGIES, LLC.

**TRANSMITTALS:**

1. TAP Project Agreement with AERAS Technologies LLC.

FIS Approval: JS  
CA Approval: SO



LISA WUNDER  
Acting Director of Environmental Management

*Michael DiBernardo*

MICHAEL DIBERNARDO  
Deputy Executive Director

APPROVED:

*Erica M. Calhoun* for

EUGENE D. SEROKA  
Executive Director

CC:LW:TD:TP:BF  
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