



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

Board of Harbor Commissioners

DATE: JUNE 12, 2018

FROM: ENVIRONMENTAL MANAGEMENT

**SUBJECT: RESOLUTION NO. _____ - PERMANENT ORDER
AMENDING PORT OF LOS ANGELES TARIFF NO. 4, SECTION 20 -
CLEAN AIR ACTION PLAN GENERAL RULES AND REGULATIONS -
DRAYAGE TRUCKS**

SUMMARY:

Staff requests that the Board of Harbor Commissioners (Board) approve an amendment to the existing Port of Los Angeles (Port) Tariff No. 4, Section 20 to require all trucks entering the Ports' Drayage Truck Registry (PDTR) to be Model Year 2014 or newer (MY 2014+) after October 1, 2018, to implement the first round of Clean Truck Program (CTP) provisions described in the San Pedro Bay Ports 2017 Clean Air Action Plan (CAAP) Update. Section 20 is also revised to update and/or eliminate outdated provisions that remained in the tariff despite being superseded by drayage truck and marine fuel regulations enforced by the California Air Resources Board (CARB).

RECOMMENDATION:

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

1. Find that the proposed action is generally exempt from the requirements of the California Environmental Quality Act (CEQA) under Section 15061(b)(3) of the State CEQA Guidelines as determined by the Director of Environmental Management;
2. Approve the Amendment to Port of Los Angeles Tariff No. 4 Section 20, Clean Air Action Plan - General Rules and Regulations, subject to California Association of Port Authorities (CAPA) review and approval, and authorize the Executive Director to work with CAPA to secure this approval or proceed to take independent action in accordance with CAPA procedure;
3. Adopt a Permanent Order No. _____ to amend Port of Los Angeles Tariff No. 4 Section 20, Clean Air Action Plan - General Rules and Regulations;

DATE: JUNE 12, 2018

PAGE 2 OF 5

SUBJECT: PERMANENT ORDER AMENDING TARIFF NO. 4

4. Direct the Board Secretary to transmit to the City Council for approval the Permanent Order and Ordinance approving and authorizing the amendment to Tariff No. 4 pursuant to City Charter 653(a);
5. Authorize the Board Secretary to execute the Permanent Order and Ordinance amending Tariff No. 4, and upon its publication, transmit the Order and Ordinance to the Chief Wharfinger for implementation of the tariff change and posting the amended Tariff No. 4 to the Port of Los Angeles website as regulated by the Federal Maritime Commission; and
6. Adopt Resolution No. _____.

DISCUSSION:

Background – The CTP, one of the key components of the CAAP, focuses on improving air quality in the ports of Los Angeles and Long Beach (Ports) by replacing older polluting heavy-duty drayage trucks with cleaner heavy-duty drayage trucks. Since January 1, 2012, only heavy-duty trucks meeting U.S. Environmental Protection Agency (EPA) 2007 emission standards or newer are allowed to service the Ports' terminals. The CTP was superseded by state law on January 1, 2014, when CARB's Drayage Truck Rule also required EPA 2007-compliant drayage trucks at all ports in the state. Currently, 51% of the engines in the Ports' drayage fleet meet the 2007 EPA standard and the remaining 49% meet the even cleaner 2010 standard.

New PDTR Requirement – On November 2, 2017, the Ports adopted the 2017 CAAP Update which includes further advancing the CTP to phase out older trucks and transition to the goal of zero-emission trucks by 2035. In order to ensure that the fleet of trucks servicing the Ports continues to get cleaner, the Ports are proposing new requirements for the types of trucks that will be allowed to register for the first time into the PDTR to provide drayage services at the Ports. All new trucks entering Ports' drayage service on or after October 1, 2018, must be a MY 2014+. MY 2014+ trucks were chosen because they contain On-Board Diagnostics systems, which assist in assuring proper maintenance of the trucks, and they comply with California Greenhouse Gas exhaust emission standards. Drayage Trucks registered and current in the PDTR prior to October 1, 2018, and that comply with the CARB Drayage Truck Rule and/or the Truck and Bus Rule applicable to drayage trucks at statewide ports may continue to operate at the Ports.

Tariff Revisions – Additional Port Tariff No. 4 Section 20 revisions are proposed to update and/or eliminate various provisions that remained in the tariff despite becoming inoperative due to regulations enacted by the CARB, which superseded aspects of the CAAP regarding drayage trucks and marine low-Sulphur fuels used at statewide seaports.

DATE: JUNE 12, 2018

PAGE 3 OF 5

SUBJECT: PERMANENT ORDER AMENDING TARIFF NO. 4

Changes to Tariff No. 4 are as follows:

- Item 2000 – Definitions. Added new defined terms “2014 Drayage Truck” and “Marine Cargo Support Yards.” Other definitions were deleted or updated for clarity and consistency with CARB regulations.
- Item 2005 – Gate Access. The requirement that Terminal Operators’ install Radio-frequency Identification (RFID) readers to confirm Drayage Truck compliance has not changed. Added that PDTR Compliance Labels (but not optical character readers) may be used by Terminal Operators in alternative compliance plans approved by the Executive Director.
- Item 2010 – Drayage Truck Access. Terminal access based on Terminal Operator’s verification in the PDTR of Drayage Trucks’ compliance with state emissions law applicable to Drayage Trucks, PDTR and Concession Agreement.
- Item 2025 – Drayage Truck Registry. Drayage Trucks are required to have registration in the PDTR and RFID tags or Compliance Labels to confirm compliance. New Drayage Truck registration in the PDTR after October 1, 2018, is permitted only for 2014 Drayage Trucks. Drayage Trucks registered and current in the PDTR prior to October 1, 2018, and compliant with State emissions law per Item 2010 may continue to operate.
- Item 2040 – Concession requirement is unchanged.
- Item 2041 – deleted redundant language with Item 2010 requiring compliance with State law regulations applicable to Drayage Trucks.
- Deleted Clean Truck Program Items – Items 2015, 2020, 2030 and 2035 were deleted as no longer operative because they are now superseded by State law under the CARB Drayage Truck Rule that since 2014 required all Drayage Trucks calling at terminals at ports in the state of California to be equipped with engines that meet or exceed 2007 model year California or federal engine standards.
- Deleted Ocean Going Vessel Items – Item 2055 provided that Items 2050 and 2055 were to expire on June 30, 2009. Consequently, this tariff revision deletes Items 2050 and 2055 that expired by their own terms and are now superseded by state law under the CARB marine fuel regulation.

After approval of the Permanent Order by the Board, the Order must be approved by Ordinance by the City Council pursuant to Charter Section 653(a).

DATE: JUNE 12, 2018

PAGE 4 OF 5

SUBJECT: PERMANENT ORDER AMENDING TARIFF NO. 4

A separate action recommends Board adoption of a Temporary Order within its Los Angeles Charter authority to approve changes to Tariff No. 4, to be effective for a period not to exceed 90 days. This action for Board and City Council adoption of a Permanent Order and Ordinance is required under the Charter to make changes to Tariff No. 4 beyond the Temporary Order's 90-day effective period.

ENVIRONMENTAL ASSESSMENT:

The proposed action is an Amendment to Port of Los Angeles Tariff No. 4 Section 20 - Clean Air Action Plan, which is an activity that will not have the potential for causing a significant effect on the environment. Therefore, the Director of Environmental Management has determined that the proposed action is generally exempt from the requirements of CEQA in accordance with Section 15061(b)(3) of the State CEQA Guidelines.

FINANCIAL IMPACT:

The requested tariff changes are administrative in nature and is not expected to have a financial impact to the Harbor Department.

CITY ATTORNEY:

The Office of the City Attorney has approved as to form and legality the Tariff, Permanent Order, and Ordinance.

DATE: JUNE 12, 2018

PAGE 5 OF 5

SUBJECT: PERMANENT ORDER AMENDING TARIFF NO. 4

TRANSMITTALS:

1. Tariff No. 4
2. Permanent Order
3. Ordinance

FIS Approval:  (initials)
CA Approval:  (initials)

Lisa Ochsner for

CHRISTOPHER CANNON
Director of Environmental Management



MICHAEL DiBERNARDO
Deputy Executive Director

APPROVED:

Eugene D. Seroka
FOR

EUGENE D. SEROKA
Executive Director

CC/yo
AUTHOR: T. PISANO

FILE: Y:\ADMIN\BOARD REPORTS\AIR QUALITY\TARIFF NO. 4\2018 - CAAP UPDATE\PERMANENT ORDER\ENV_TARIFF 4 PERMANENT ORDER - FINAL.docx
UPDATED: 6/12/2018 11:59 AM - YO